

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1104-06
Bill No.: Truly Agreed To and Finally Passed HCS for SCS for SB 179
Subject: Easements and Conveyances; Governor & Lt. Governor
Type: Original
Date: June 1, 2009

Bill Summary: Authorizes the Governor to convey various state properties.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
General Revenue	\$158,000	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	\$158,000	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
State Road Fund	(\$158,000)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$158,000)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on FTE			

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 1 Joplin Regional Center

Officials at the **Office Administration** assume one-time moving costs of \$338,964. Additionally, there are on-going dollars that has been appropriated for rent, janitorial and utilities of \$229,050 annually.

Oversight has for the purposes of determining the fiscal impact of this proposal, shown the cost of the moving expenses and rent on the new building in this fiscal note. Oversight notes that the rent has been requested in the Governor's recommended Office of Administration's FY 2010 budget request which is pending.

Officials at the **Missouri Southern State University** assume the fiscal impact to the University shall be a direct result of the terms and conditions of the conveyance as established by the Commissioner of Administration. In addition to the terms for conveyance there would be additional remodeling expenses incurred in order to make the facility usable for University purposes as well as ongoing operational expenses, the magnitude of which is unknown at this time.

Oversight assumes the remodeling of the building would not fiscally impact state revenue as the cost to the University would be absorbed with existing resources.

Officials at the **Department of Mental Health** assume, using the FY 2010 basic expense & equipment list, the total one-time cost of this proposal to be \$351,447. The basic layout of the new leased space should be 5 offices and 49 modular workstations. The current space for Joplin is all offices with no modular furniture. The new leased space will have a layout for cubicles, therefore, an estimated cost for the modular furniture is \$243,089. In addition to the modular furniture there will be a cost for the telecommunications of \$40,950 and moving costs of \$14,850 (\$275 per employee). The remaining expenses will be for chairs and file cabinets totaling \$52,558. There is currently one maintenance (\$28,153) (A16-G) and one custodial (\$23,209) (A07-M) staff at Joplin that will no longer be needed due to moving into a leased office space. The Personal Service savings for these two positions will be \$65,525. FTE will be redirected as needed within the department.

Oversight assumes the selling price of the property will exceed DMH's cost to relocate and the affect will be an unknown positive amount. Oversight assumes the conveyance of this property would not occur until the Joplin Regional Center is relocated from the property. As a result, **Oversight** assumes no impact for the period of time covered by this fiscal note.

ASSUMPTION (continued)

Section 2 Mississippi River Bridge Property

Officials at the **Missouri Department of Transportation (MoDOT)** anticipate purchasing the property for \$158,500.

Officials at the **Office of Administration** assume a transfer of \$158,500 in FY 2010 from MoDOT for the land conveyance.

Section 3 Arc of the Ozarks

Officials from the **Department of Mental Health** and the **Office of Administration** assume that there is no fiscal impact from this proposal.

Officials at the **Greene County** did not respond to our request for a fiscal impact from their agencies.

Section 4 Storm and Water Easement in Greene County and Section 5 Construction Easement in Greene County

Officials at **Greene County** did not respond to Oversight's request for fiscal impact.

Section 6 Easement in Macon County

In response to similar legislation filed this year, officials at the **Department of Public Safety** and the **Office of the Adjutant General/National Guard** assume that there is no fiscal impact from this proposal.

Officials at the **Office of Administration** and the **Macon County** assume that there is no fiscal impact from this proposal.

Section 7 Cape Girardeau

Officials at the **Missouri Department of Transportation** and the **Office of Administration** assume that there is no fiscal impact from this proposal.

Officials at the **City of Cape Girardeau** and the **County of Cape Girardeau** did not respond to Oversight's request for fiscal impact.

Section 8 Mid-Missouri Mental Health Center

Officials from the **Department of Mental Health (DMH)** state the proposal has no fiscal impact on the DMH. The University of Missouri is currently developing a capital improvements proposal for renovations to the facility with the Governor's Office. The DMH is working on the

ASSUMPTION (continued)

transition between state operated acute psychiatric beds and the University expanding its psychiatric beds.

Officials from the **COA - Division of Facilities Management** state the matter is still under discussion. As the proposal provides the terms and conditions are to be set by the Commissioner of Administration, the impact of the proposal is unknown at this time.

Oversight assumes whatever consideration set by the Commissioner for the transfer of property to the University of Missouri will have a positive fiscal impact on General Revenue. Since it is unknown when the transfer of property will take place, **Oversight** assumes no impact for the period of this fiscal note.

Officials from the **University of Missouri (UM)** stated the proposal would have a significant impact on their organization. However, at this time, the fiscal impact is unknown.

Oversight assumes the University will have increased costs as a result of this proposal, but since these costs are not General Revenue or state money, no impact is being presented.

Section 9 Harris-Stowe State University

Officials at the **Office of Administration** assume this proposal allows the conveyance of the Hubert Wheeler State School property in St. Louis to Harris-Stowe State University. The net fiscal impact is unknown at this time, as the terms and conditions are to be set by the Commissioner of Administration if the bill is enacted and if the Governor approves a conveyance. The last appraisal on the property was \$2.6 million. The current lease agreement with Harris-Stowe State University for the property is \$20,000 annually, which includes coverage of facility operations and maintenance costs.

Officials at the **Harris Stowe State University** did not respond to Oversight's request for fiscal impact.

Oversight assumes whatever consideration set by the Commissioner for the transfer of property to Harris-Stowe State University will be for more than the loss of rent the State already receives for the property. Therefore the proposal will have a positive fiscal impact on General Revenue. Since it is unknown when the transfer of property will take place, Oversight assumes \$0 or Unknown income for the period of this fiscal note.

Oversight further assumes Harris-Stowe State University will have increased costs as a result of

ASSUMPTION (continued)

this proposal for the purchase of the property, but since these costs are not General Revenue or state money, no impact is being presented.

Section 10 Cooper County

Officials at **Cooper County** and the City of **Booneville** did not respond to Oversight's request for fiscal impact.

Bill as a Whole

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Office of the Governor, Missouri House of Representatives, Department of Corrections, St. Louis County, City of Springfield** and the **Missouri Senate** assume that there is no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
GENERAL REVENUE FUND			
<u>Transfer In - Office of Administration</u>			
Mississippi River Bridge conveyance	<u>\$158,500</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$158,000</u>	<u>\$0</u>	<u>\$0</u>
STATE ROAD FUND			
<u>Transfer Out - Dept. of Transportation</u>			
land conveyance	<u>(\$158,500)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON STATE ROAD FUND	<u>(\$158,500)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act authorizes the Governor to convey a piece of property known as the Joplin Regional Center to Missouri Southern State University.

This act authorizes the Governor to convey a parcel of real property, which is being currently used by the Department of Corrections as a minimum security correctional facility, to the Missouri Highways and Transportation Commission for the new Mississippi River Bridge project.

The act authorizes the Governor to convey a piece of property owned by the state in Greene County to the Arc of the Ozarks. The Governor is also authorized to convey a temporary construction easement over, on and under property owned by the state in Springfield to the Arc of the Ozarks.

The act authorizes the Governor to convey a piece of property owned by the state in Springfield to the City of Springfield.

The Governor is authorized to convey property owned by the state in Macon County to the owners of certain private property for the purpose of obtaining access to the private property.

The Governor is authorized to convey property owned by the state in Cape Girardeau County to the state highways and transportation commission.

The act authorizes the Governor to convey property known as the Mid-Missouri Mental Health Center to the Curators of the University of Missouri.

The act authorizes the Governor to convey property owned by the state in St. Louis to Harris-Stowe State University.

The act authorizes the Governor to convey property owned by the state in Cooper County to the City of Boonville.

The act directs the director of the Department of Natural Resources to lease property owned by the state in Clinton County to the Clinton County Public Water Supply District. No. 3 for the

FISCAL DESCRIPTION (continued)

purpose of constructing an elevated water storage tank.

The act contains an emergency clause for some of the conveyances.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

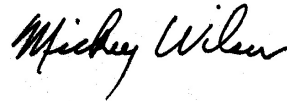
SOURCES OF INFORMATION

Office of Administration -
 Division of Facilities Management, Design and Construction
Department of Mental Health
Missouri Southern State University
Missouri Department of Transportation
Office of the Governor
Office of the Attorney General
University of Missouri
St. Louis County
Missouri Senate
Department of Corrections
Missouri House of Representatives
Macon County
City of Springfield

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NOT RESPONDING

Department of Public Safety
Office of the Adjutant General/National Guard
Greene County
City of Cape Girardeau
City of Boonville
City of Joplin
St. Louis City
Cape Girardeau County
Cooper County
Jasper County
Harris-Stowe State University



Mickey Wilson, CPA
Director
June 1, 2009