

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5229-02
Bill No.: Perfected HCS for HB 1867
Subject: Utilities
Type: Original
Date: April 23, 2014

Bill Summary: This proposal changes the laws regarding utilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Road Fund	(Up to \$136,500)	(Up to \$273,000)	(Up to \$273,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Up to \$136,500)	(Up to \$273,000)	(Up to \$273,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

- 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 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration- Division of Facilities Management Design and Construction**, the **Department of Labor and Industrial Relations**, the **Department of Economic Development**, the **Department of Natural Resources** and the **State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations.

Officials at the **Office of Attorney General (AGO)** assumes that any potential costs arising from this proposal can be absorbed with existing resources. If multiple proposals or significant litigation results, AGO may seek an additional future appropriation.

§ 319.016

Officials from the **Department of Transportation (MoDOT)** assume this legislation proposes to remove this entire section that allows MoDOT, after December 31, 2014, the opportunity to opt in or out of participation in Missouri One Call. In FY '13 MoDOT spent approximately \$677,000 total costs with respect to Missouri One Call. If MoDOT were to opt out of the Missouri One Call, the department could reduce the total cost for locates by approximately \$200,000 by eliminating the ticket cost and cost of processing inaccurate tickets.

§ 319.026 (6)

MoDOT assumes this proposal adds language that requires an excavator to make a relocate request before beginning the excavation if they didn't begin excavation within ten days as described in the request.

MoDOT will receive additional tickets to relocate when our facilities are still clearly marked. This could result in a 10% increase in tickets at an additional cost of \$73,000 for (ticket charges, labor, and equipment).

Since removing §319.016 will not allow MoDOT to opt out of participation in Missouri One Call, **Oversight** will show a loss in savings of \$0 or \$200,000 (\$0 being no tickets or \$200,000 being forgone savings of opting out of the Missouri One Call).

ASSUMPTION (continued)

Oversight will also show a cost of \$0 or \$73,000 (\$0 being no tickets or \$73,000 being MoDOT's estimated total future costs for additional tickets for relocate request).

<u>FISCAL IMPACT - State Government</u>	FY 2015 (6 Mo.)	FY 2016	FY 2017
ROAD FUND			
<u>Forgone Savings</u> - MoDOT	\$0 or	\$0 or	\$0 or
§ 319.016 - ticket charges, labor and equipment cost	(\$100,000)	(\$200,000)	(\$200,000)
 <u>Cost</u> - MoDOT	 <u>\$0 or (\$36,500)</u>	 <u>\$0 or (\$73,000)</u>	 <u>\$0 or (\$73,000)</u>
§ 319.026 (6) - ticket charges, labor and equipment			
 ESTIMATED NET EFFECT ON THE ROAD FUND	 (Up to <u>\$136,500</u>)	 (Up to <u>\$273,000</u>)	 (Up to <u>\$273,000</u>)
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2015 (6 Mo.)	FY 2016	FY 2017
	 <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 proposal changes the laws regarding utilities.

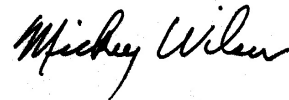
This proposal has an effective date of January 1, 2015.

FISCAL DESCRIPTION (continued)

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

Attorney General's Office
Office of Administration
Department of Labor and Industrial Relations
Department of Economic Development
Department of Natural Resources
State Tax Commission
Department of Transportation



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Director
April 23, 2014

Ross Strobe
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April 23, 2014