

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6226-01  
Bill No.: SB 1011  
Subject: Administration, Office of; Attorney General; Natural Resources Department;  
 Property, Real and Personal  
Type: Original  
Date: February 9, 2016

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Bill Summary: This proposal requires the Director of the Department of Natural Resources to sell at public auction property located in Oregon County by December 31, 2016.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
			\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials at the **Department of Natural Resources - Division of State Park's (DSP)** assume this proposal will have a negative fiscal impact on their organization. DSP acquired approximately 4,167 acres in Oregon County on January 15, 2016. Visitors are estimated at 58,000 per year.

If the state is forced to sell, the department may need to refund the federal treasury settlement account approximately \$8 million.

Neither State nor Federal funds held in the State Treasury were used to purchase this property.

**Oversight** assumes the property described in the bill are tracts recently purchased by the Department of Natural Resources and not the existing Grand Gulf State Park.

**Oversight** notes the recent purchase by DNR is the result of a 2007 settlement in which ASARCO agreed to pay Missouri nearly \$35 million for environmental damages in Missouri's lead mining counties. DNR and the U.S. Fish and Wildlife Service are acting as trustees for the settlement proceeds.

**Oversight** will not show the fiscal impact of the estimated proceeds from the sale of the properties in Oregon County because the net impact to the State's total assets is \$0. Oversight assumes it is the sale of land, an asset, in exchange for cash (sale proceeds) - also an asset.

**Oversight** will not show an impact to local political subdivisions in Oregon County, either increased property tax with the state no longer holding an interest in land, or a potential loss of tourism-related revenue as mentioned by DNR. Oversight considers these indirect impacts.

<u>FISCAL IMPACT - State Government</u>	FY 2017	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017	FY 2018	FY 2019
	<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

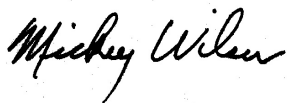
This act requires the Director of the Department of Natural Resources to sell at public auction property located in Oregon County by December 31, 2016.

This proposal contains an emergency clause.

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

Department of Natural Resources



Mickey Wilson, CPA  
Director  
February 9, 2016

Ross Strobe  
Assistant Director  
February 9, 2016