

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6071-01  
Bill No.: SB 944  
Subject: Office of Administration; State Departments  
Type: Original  
Date: March 5, 2018

Bill Summary: This proposal allows state departments to save funds for certain technology purposes.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue Fund	\$0	\$0 or (Unknown)	\$0 or (Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Various Other State Funds*	\$0	\$0	\$0
State Technology Modernization Fund**	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Savings and Transfers out net to \$0

\*\*Transfers-in and Costs net to \$0

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</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 2019</b>	<b>FY 2020</b>	<b>FY 2021</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 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of Administration - Information Technology Services Division** assume the proposal would create a State Technology Modernization Fund that agencies could request that unexpended state funds be deposited into at the end of the fiscal year. The funds could be used for modernized technology purchases. It is assumed that ITSD would be involved in the implementation of modernized technology purchases.

The cost are unknown. There is no way to know what funds will be deposited into the fund or on what modernized technology purchases the funds will be spent.

**Oversight** notes that periodically unexpended funds currently revert back into the fund from which they were appropriated. Any funds contributed to the State Technology Modernization Fund instead would therefore represent a loss to the originating fund. Oversight will show a potential loss to the General Revenue Fund of monies that were deposited into the new fund instead of reverting back to General Revenue.

**Oversight** will show zero to unknown transfers into the State Technology Modernization Fund and offsetting expenditures out of the Fund for modernization projects.

Officials from the **Office of Administration - Budget and Planning** assume this bill would establish the State Technology Modernization Fund and allow departments to deposit unexpended funds. Departments may then, solely, or in conjunction with other departments, buy modernization technology items from the fund. Any funds not expended within three years of deposit, will revert to General Revenue.

This bill will have no impact on TSR or 18(e); however, it could increase GR by an unknown amount

Officials from the **Department of Public Safety - Missouri Highway Patrol** anticipates a positive fiscal impact if this proposal is enacted. Any unused spending authority is currently forfeited at the end of the year. Under this legislation we could request that it be put into this new fund and then request to spend it on technology.

Officials from the **Attorney General's Office (AGO)** assume any potential cost arising from this proposal can be absorbed with existing resources. AGO may seek additional appropriations if the proposal results in a significant increase in cases.

ASSUMPTION (continued)

Officials from the **Joint Committee on Administrative Rules** state this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Department of Mental Health**, the **Department of Social Services** and the **Department of Corrections** each defer to the Office of Administration to estimate the fiscal impact of the proposed legislation on their respective organization.

Officials from the **Department of Agriculture**, **Department of Economic Development (Public Service Commission, Office of the Public Council, and the Division of Energy)**, **Department of Elementary and Secondary Education**, **Department of Higher Education**, **Department of Health and Senior Services**, **Department of Insurance**, **Financial Institutions and Professional Registration**, **Department of Natural Resources**, **Department of Labor and Industrial Relations**, **Department of Revenue**, **Department of Public Safety (Office of the Director, Capitol Police, Alcohol & Tobacco Control, Fire Safety, Gaming Commission, Missouri National Guard, State Emergency Management Agency and the Veterans Commission)** **Office of the Governor**, **Missouri Lottery Commission**, **Missouri Consolidated Health Care Plan**, **Missouri Department of Conservation**, **Missouri Ethics Commission**, **Missouri House of Representatives**, **Office of the Lieutenant Governor**, **Department of Transportation**, **Office of Prosecution Services**, **Missouri State Employee's Retirement System**, **MoDOT & Patrol Employees' Retirement System**, **Office of Administration (Administrative Hearing Commission)**, **Office of the State Auditor**, **Office of the State Courts Administrator**, **Missouri Senate**, **Office of the Secretary of State**, **Office of the State Public Defender**, **Office of the State Treasurer** and the **State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>GENERAL REVENUE FUND</b>			
<u>Loss</u> - Money diverted to the State Technology Modernization Fund instead of reverting to General Revenue	<u>\$0</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>\$0 or (Unknown)</u></b>	<b><u>\$0 or (Unknown)</u></b>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2019 (10 Mo.)	FY 2020	FY 2021
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**VARIOUS OTHER STATE FUNDS**

<u>Savings</u> - Moneys diverted to the State Technology Modernization Fund not available to revert to General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Transfers Out</u> - Money diverted to the State Technology Modernization Fund	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON VARIOUS OTHER STATE FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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**STATE TECHNOLOGY  
MODERNIZATION FUND**

<u>Transfers In</u> - from various state funds	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Costs</u> - ITSD expenditures for making modernized technology purchases	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT TO THE STATE TECHNOLOGY MODERNIZATION FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
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	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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FISCAL IMPACT - Small Business

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

## FISCAL DESCRIPTION

This proposal establishes the "State Technology Modernization Fund." This proposal allows any state agency or department with unused funds at the end of a fiscal year to deposit those moneys into the fund. Any state agency or department that deposits money may collaborate with other departments or agencies, and use the fund to make modernized technology purchases. Any moneys left in the fund after three years shall revert to General Revenue.

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  
Department of Agriculture  
Department of Economic Development  
    Public Service Commission  
    Office of the Public Council  
    Division of Energy  
Department of Elementary and Secondary Education  
Department of Higher Education  
Department of Health and Senior Services  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Mental Health  
Department of Natural Resources  
Department of Corrections  
Department of Labor and Industrial Relations  
Department of Revenue  
Department of Public Safety  
    Office of the Director  
    Division of Alcohol and Tobacco Control  
    Capitol Police  
    Fire Safety  
    Missouri Gaming Commission  
    Missouri Highway Patrol  
    Missouri National Guard  
    State Emergency Management Agency  
    Veterans Commission  
Department of Social Services  
Office of the Governor

SOURCES OF INFORMATION (continued)

Joint Committee on Administrative Rules  
Missouri Lottery Commission  
Missouri Consolidated Health Care Plan  
Missouri Department of Conservation  
Missouri Ethics Commission  
Missouri House of Representatives  
Office of the Lieutenant Governor  
Department of Transportation  
Office of Prosecution Services  
MoDOT & Patrol Employees' Retirement System  
Office of Administration  
    Administrative Hearing Commission  
    Budget and Planning  
Office of the State Courts Administrator  
Office of the State Auditor  
Missouri Senate  
Office of the Secretary of State  
Office of the State Public Defender  
Office of the State Treasurer  
State Tax Commission

Ross Strope



Acting Director  
March 5, 2018