

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0149-02
Bill No.: Perfected HCS for HB 266
Subject: Historic Preservation; Tourism; Arts and Humanities
Type: Original
Date: April 3, 2019

Bill Summary: This proposal creates the designation of “Missouri Historical Theater” and specifies criteria to apply for and achieve such designation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on FTE	0	0	0

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources** assume the proposal will have no fiscal impact on their organization.

In response to a previous version, officials from the **Department of Economic Development (DED) - Business and Community Services, Department of Economic Development - Division of Tourism** and **Department of Economic Development - Missouri Arts Council** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes that the agencies mentioned above have each stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

Oversight found a list of Missouri theatres from the League of Historic American Theatres (LHAT). Currently there are three active LHAT members and 45 other theatres that are not members of the LHAT, including: Arrow Rock Lyceum Theatre (Boonville), Fox Theatre (St. Louis) and Up Town Theatre (Kansas City).

Oversight notes the proposal gives DED the option to charge an application fee to cover any costs of the program. Oversight inquired of DED how much would a potential application fee cost for these theaters. **DED** stated the Missouri Arts Council (MAC) does not believe there will be that many theaters that qualify or would apply for this designation. MAC does not intend to charge an application fee and does not expect any costs from this proposal. If this proposal is implemented, MAC intends to update their website to allow theaters to apply online which will be at no cost to MAC.

Officials from the **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session.

ASSUMPTION (continued)

The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

FISCAL IMPACT - State Government	FY 2020 (10 Mo.)	FY 2021	FY 2022
	\$0	\$0	\$0
FISCAL IMPACT - Local Government	FY 2020 (10 Mo.)	FY 2021	FY 2022
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill establishes the designation of "Missouri Historical Theater" on theaters that meet specified criteria, including being a 501(c)(3) not-for-profit corporation, performance history, and contribution to tourism and arts promotion. The Missouri Arts Council shall administer the program as specified in the bill and may charge a fee to cover the costs of the program.

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
Department of Economic Development - Business and Community Services
Department of Economic Development - Division of Tourism
Department of Economic Development - Missouri Arts Council
Office of the Secretary of State
Joint Committee on Administrative Rules



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