

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2375-01  
Bill No.: SB 473  
Subject: Department of Natural Resources; Parks and Recreation  
Type: Original  
Date: March 28, 2019

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Bill Summary: This proposal creates the Rock Island Trail State Park Endowment Fund.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<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 2020	FY 2021	FY 2022
Rock Island Trail State Park Endowment Fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Natural Resources (DNR)** state as of March 22, 2019, DNR is in the process of negotiating an Interim Trail Use Agreement with Missouri Central Railroad (an affiliate of Ameren Missouri), the current owner of the former Chicago, Rock Island, and Pacific Railroad east of milepost 144. The National Trails System Act, 16 U.S.C. § 1247(d) and 49 C.F.R. § 1152.29, established a process known as "railbanking." Railbanking is a voluntary agreement between a railroad company and a trail agency to use an out-of-service corridor as a trail until a railroad might need the corridor again for rail service. In response to a request submitted by the DNR, with concurrence from Missouri Central Railroad, the Surface Transportation Board, a federal adjudicatory board responsible for economic regulatory oversight of railroads, issued a Notice of Interim Trail Use on Feb. 25, 2015.

The Notice of Interim Trail Use authorized DNR to negotiate with Missouri Central Railroad for acquisition of the corridor for use as a public recreational trail in accordance with the National Trails System Act. Should the parties conclude negotiations, DNR and the railroad may sign an Interim Trail Use Agreement, and Missouri State Parks, a division of DNR, would then be responsible for managing the railbanked corridor as a new state park trail. The current deadline to conclude negotiations is August 20, 2019.

If this bill becomes law, DNR estimates that establishment of the new fund could result in some administrative costs to the State Treasurer's office associated with setting up, administering and investing this new fund. DNR is unable to predict how much revenue may be derived from private donors or the amount of interest income that could be earned from investment of those donations if the new fund is established, but trail supporters have publicly indicated intention to provide financial contributions if DNR accepts responsibility for trail development.

There are other statutorily created state park endowment funds in the state treasury (see Sections 253.092, 253.120, 253.350- 253.380, and 253.520). For example, in FY 2018 the Dr. Edmund A. Babler Memorial State Park Fund (0911) created by Section 253.360, RSMo, had a beginning balance of \$792,121.87, received \$178,759.68 in receipts, and had \$107,619.03 in disbursements, with a fiscal year-end balance of \$828,048.60.

For fiscal note purposes, **Oversight** will reflect a potential unknown amount of donations received by the new Rock Island Trail State Park Endowment Fund and possible expenditures out of the fund.

ASSUMPTION (continued)

Officials from the **Office of the State Treasurer** and the **Department of Transportation** each assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** notes that the agencies mentioned above have 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** inquired of DNR as to whether any funds had been deposited into the State Parks Earnings Fund for the purposes of operating, maintaining, and securing any portion of the former Chicago, Rock Island, and Pacific Railroad corridor. **DNR** notes they are not aware of any funds deposited for that purpose to date.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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**ROCK ISLAND TRAIL STATE  
 PARK ENDOWMENT FUND**

<u>Revenue</u> - DNR - deposits (grants, gifts, donations, devices, or bequests of money) made into the new fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Costs</u> - DNR - proceeds used for the purpose of operating, maintaining and securing the trail	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON THE    ROCK ISLAND TRAIL STATE    PARK ENDOWMENT FUND</b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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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 act creates the Rock Island Trail State Park Endowment Fund in the state treasury to be administered by the Department of Natural Resources. The fund shall be used by the Department for the purpose of operating, maintaining, and securing any portion of the former Chicago, Rock Island, and Pacific Railroad corridor located east of milepost 215.325 that is owned, leased, or operated by the Department.

If the United States Surface Transportation Board vacates the Notice of Interim Trail Use issued in a decision served on February 26, 2015, any moneys in the fund may be refunded to the individuals or entities that have made contributions to the fund or may be transferred to a new trail sponsor or other entity that has accepted responsibility for the management of the corridor as set forth in the act.

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 Transportation  
Office of the State Treasurer

Kyle Rieman  
Director  
March 28, 2019



Ross Strope  
Assistant Director  
March 28, 2019