

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4059-07
Bill No.: CCS for HCS for SS for SB 618
Subject: Utilities
Type: Original
Date: May 13, 2020

Bill Summary: This proposal modifies provisions relating to utilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue Fund	\$0 to (Unknown)	\$0 or could exceed (\$5,000,000)	\$0 or could exceed (\$5,000,000)
Total Estimated Net Effect on General Revenue*	\$0 to (Unknown)	\$0 or could exceed (\$5,000,000)	\$0 or could exceed (\$5,000,000)

*Oversight notes this proposal extends the sunset date of an existing program (§620.2459 - from August 28, 2021 to June 30, 2030). Accordingly, the fiscal note reflects the continuation of appropriations/ expenditures under the Broadband Internet Grant Program at the FY 2020 level (\$5,000,000) or the FY 2021 appropriated level (\$0) to DED for Broadband Grants.

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 18 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
State Facility Maintenance and Operation Fund (0501)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Various State Funds	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Blind Pension Fund (0651)	\$0	Unknown to (Unknown)	Unknown to (Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
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 2021	FY 2022	FY 2023
Local Government	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

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.

Section 67.453 - Neighborhood Improvement Districts

Oversight notes this section of this proposed legislation expands the definition of “Improvement” to include a partnership with a telecommunications company or broadband service provider in order to construct or improve telecommunications facilities which shall be wholly owned and operated by the telecommunications company or broadband service provider. However, before any facilities are improved or constructed as a result of this section, the area shall be certified as unserved or under served by the Department of Economic Development.

Per Section(s) 620.2450 - 620.2459, the Missouri Department of Economic Development is to publish on its website the proposed unserved and under served areas. In addition, when the Missouri Department of Economic Development is prioritizing applications, they are to give first priority to grant applicants of unserved areas and third priority to grant applicants of under served areas.

Therefore, Oversight assumes the Missouri Department of Economic Development is aware of potential unserved and under served areas. Thus, Oversight assumes the Missouri Department of Economic Development can absorb the additional responsibility of certifying the areas for improved and constructed telecommunication facilities with existing resources.

In response to similar proposed legislation, officials from the **Office of Administration - Budget & Planning Division (B&P)** stated this section will have no direct impact on General Revenue (GR) and Total State Revenues (TSR) or the calculation pursuant to Article X, Section 18(e).

Oversight notes, in response to similar proposed legislation, the **Missouri Department of Revenue (DOR)** has stated this section 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 fiscal impact in the fiscal note for this organization as it relates to this section

ASSUMPTION (continued)

Section 67.1461 - Community Improvement Districts

Oversight notes this section of this proposed legislation expands the powers of each Community Improvement District to allow Community Improvement Districts to partner with a telecommunications company or broadband service provider in order to construct or improve telecommunications facilities which shall be wholly owned and operated by the telecommunications company or broadband service provider. However, before any facilities are improved or constructed as a result of this section, the area shall be certified as unserved or under-served by the Department of Economic Development.

Per Section(s) 620.2450 - 620.2459, the Missouri Department of Economic Development is to publish on its website the proposed unserved and under served areas. In addition, when the Missouri Department of Economic Development is prioritizing applications, they are to give first priority to grant applicants of unserved areas and third priority to grant applicants of under served areas.

Therefore, Oversight assumes the Missouri Department of Economic Development is aware of potential unserved and under served areas. Thus, Oversight assumes the Missouri Department of Economic Development can absorb the additional responsibility of certifying the areas for improved and constructed telecommunication facilities with existing resources.

In response to similar proposed legislation, officials from **B&P** stated this section will have no direct impact on General Revenue (GR) and Total State Revenues (TSR) or the calculation pursuant to Article X, Section 18(e).

Oversight notes, in response to the previous version of this proposed legislation, **DOR** has stated this section 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 fiscal impact in the fiscal note for this organization as it relates to this section

Section 67.1846 - Public Right-of-Way

Oversight notes this section prohibits grand-fathered political subdivisions from charging a linear foot fee for use of its right-of-way to a small local exchange telecommunications company, as of December 31, 2019, so long as the small local exchange telecommunications company is providing internet access to customers within the rural areas of the state.

In response to similar provisions in SB 526, officials from **B&P** stated Section 67.1846 will have no impact on state revenues. To the extent this impacts local revenues, this proposal could impact

ASSUMPTION (continued)

the calculation pursuant to Article X, Section 18(e). B&P does not have data to calculate the impact at the local level.

Oversight notes, in response to similar provisions in SB 526, **DOR** stated this section would not have a direct fiscal impact on their respective organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero fiscal impact in the fiscal note for this organization as it relates to this section

In response to similar provisions in SB 526, officials from the **City of Kansas City (KC)** stated this proposed section will have a negative fiscal impact on KC in an indeterminate amount.

Oversight is unable to determine whether there are currently linear foot fee(s) imposed on small local exchange telecommunications companies. For purposes of this fiscal note, Oversight will report a negative fiscal impact to local political subdivisions ranging from \$0 or (Unknown).

§67.5122 - Uniform Small Wireless Facility Deployment Act - Expiration Date

Oversight notes this section extends the expiration date of the Uniform Small Wireless Facility Deployment Act from January 1, 2021 to January 1, 2025.

Oversight notes, in response to similar legislation (HB 2182 - 2020), which eliminated the expiration date of the Uniform Small Wireless Facility Development Act, officials from the **Missouri Department of Commerce and Insurance**, the **Missouri Department of Transportation**, the **Missouri Department of Economic Development**, the **Missouri Department of Natural Resources**, the **Office of State Court Administrator**, the **Office of Administration**, the **City of Springfield**, and the **City of Kansas City** have stated this proposed section would not have a direct fiscal impact on their respective organizations.

Oversight notes the agencies mentioned above have stated the proposed legislation would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero fiscal impact in the fiscal note for these organizations as it relates to this section.

Oversight notes the **DOR** has stated this section would not have a direct fiscal impact on their respective organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero fiscal impact in the fiscal note for this organization as it relates to this section

ASSUMPTION (continued)

§§137.123 & 153.030 - Taxation of certain energy-producing property

In response to a similar proposal from this year (HB 2454), officials from the **State Tax Commission (STC)** stated the STC has reviewed HB 2454 and determined an unknown fiscal impact on school districts and other local taxing jurisdictions (cities, counties and fire districts) who rely on property tax as a source of revenue which wind energy projects owned by a public utility has tax situs. In 2019, House Bill 220 was enacted which established that all wind generation real and personal property used to generate electricity owned by a public utility would be assessed locally by county assessors and the addition of the wind energy assessment assets created a positive fiscal impact for local taxing jurisdictions. HB 2454 establishes that wind energy projects (all real and personal property excluding land) will be assessed using a depreciation methodology provided in Section 137.123. The fiscal impact for those taxing jurisdictions in which a wind energy facility has tax situs will be determined by the size, number and scope of the wind energy project.

In response to a similar proposal from this year (HB 2454), officials from **Office of Administration - Budget and Planning (B&P)** assumed this proposal may impact TSR. This proposal may impact the calculation under Article X, Section 18(e).

Sections 137.123 and 153.030 would require all real and tangible personal property, except land, associated with a wind energy project be depreciated at the rates established within the section. B&P notes that currently such property uses the depreciation schedule in Section 137.122. Therefore, B&P estimates that these sections may impact TSR and the Blind Pension Trust Fund if the use of the new depreciation schedule changes the assessed values of relevant property. In addition, these sections may impact the calculation under Article X, Section 18(e).

This proposal would also repeal Section 393.1073 which established the "Task Force on Wind Energy". B&P notes that this section expired on December 31, 2019. This section will not impact TSR or the calculation under Article X, Section 18(e).

In response to a similar proposal from this year (HB 2454), officials from **Department of Revenue (DOR)** stated the assessment of property tax is handled by the State Tax Commission. The Department assumes no direct fiscal impact from this proposal and defers to the State Tax Commission for a statewide fiscal impact.

In response to a similar proposal from this year (HB 2454), officials from the **Department of Social Services, Department of Commerce and Insurance, and the Office of the State**

ASSUMPTION (continued)

Auditor each assumed the proposal will have no fiscal impact on their respective organizations.

In response to a similar proposal from this year (HB 2454), officials from **Adair County** stated this proposal will be detrimental to tax funding for schools. Windmills need to be assessed by their potential energy output.

Oversight assumes this proposal changes the depreciation schedule for tangible personal property and makes real property, excluding land, subject to a depreciation schedule. In addition, Oversight assumes this proposal requires assessors to use the cost approach to valuing property that uses wind energy directly to generate electricity.

Oversight assumes this proposal could result in an unknown impact (positive or negative) to the Blind Pension Fund and local political subdivisions depending on the specifics of the wind energy project.

Additionally, **Oversight** notes property tax revenues are generally designed to be revenue neutral from year to year. The tax levy is adjusted relative to the assessed value to produce roughly the same revenue from the prior year with an allowance for growth. Therefore, Oversight assumes this proposal could impact property tax levies.

Oversight received a limited number of responses from local political subdivisions related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

§247.200 - Water Supply Charges to Customers

In response to a similar proposal from this year (HB 2240), officials from the **Department of Natural Resources**, the **City of O'Fallon**, the **City of Kansas City** and the **Metropolitan St. Louis Sewer District** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies 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.

ASSUMPTION (continued)

§393.1009 - Gas Utility Plant Projects

In response to a previous version, officials from the **Department of Commerce and Insurance (DCI) - Office of the Public Counsel (OPC)** assumed there would be a need for an additional Public Utility Accountant I-III at \$50,112 annually to review the increased costs included in ISRS petitions, the increased projects, plant, and costs that will be reviewed in general rate cases. The cost for such analyst would be approximately \$65,000 annually.

Oversight assumes this legislation will not generate a sufficient workload for the OPC to require an additional FTE, and therefore assume DCI-OPC could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DCI-OPC could request funding through the appropriation process.

§393.1012 - Gas Utility Plant Projects

In response to a previous version, officials from the **Office of Administration (OA) - Facilities Management Design and Construction (FMDC)** stated that the increase to gas service anywhere in the state individually or when combined with ISRS shall not produce revenues in excess of ten percent of the gas corporation's base revenue. And the commission may not approve an ISRS if the revenues exceed ten percent.

FMDC used a four year average (FY16 - FY19) of Natural Gas, Propane and Fuel Oil cost equaling \$3,533,122 and applied a 1%, 5% and 10% increase to determine the maximum amount that could be charged based on this legislation.

		1.00%	5.00%	10.00%
Gas with Fuel Oil	\$3,533,122	\$35,331	\$176,656	\$353,312

Oversight assumes this proposal allows gas corporations to file a petition and propose rate schedules with the Public Service Commission to establish or change ISRS rate schedules (that will allow for adjustment of the gas corporation's rate and charges to provide for the recovery cost).

Oversight assumes these sections of the proposal could increase utility costs for the Office of Administration as well as other state agencies and local governments. Since it is unknown how many additional amortizations will be authorized (if any), Oversight will range the cost from \$0 (no utility will increase rates) to an unknown amount to the State Facility Maintenance and

ASSUMPTION (continued)

Operation Fund (0501) and Other State Funds and local political subdivisions.

In response to a previous version, officials from the **Department of Commerce and Insurance (Public Service Commission)**, the **Department of Natural Resources** and the **Department of Transportation** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies 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.

§442.404 - Rooftop Solar Panel or Solar Collectors Installation

In response to a similar proposal from this year (HB 2526), officials at the **Department of Commerce and Insurance**, the **Department of Natural Resources** and the **State Tax Commission** each assumed no fiscal impact to their respective agencies from this proposal.

In response to a similar proposal from this year (HB 2526), officials at the **City of Kansas City** and the **City of Springfield** each assumed no fiscal impact to their respective entities from this proposal.

In response to a similar proposal from this year (HB 2526), officials at the **City of O'Fallon** assumed a minimal fiscal impact on the City. There are not many electrical permits issued for solar panel installation.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this section.

§523.262 - Eminent Domain

Oversight assumes this proposal could impact the Grain Belt Express project in northern Missouri. According to a report by the Public Service Commission (File No. EM-2019-0150), the Grain Belt Express Project line is "sited to traverse Buchanan, Clinton Caldwell, Carroll, Chariton, Randolph, Monroe and Ralls Counties, Missouri. The Grain Belt Express Project covers approximately 780 miles, and the project will primarily use a pole design which has a smaller footprint than traditional alternating current transmission lines. The structures will occupy ten acres for the entire state of Missouri." The Joint Application of Invenergy Transmission LLC, Invenergy Investment Company LLC, Grain Belt Express Clean Line LLC and Grain Belt Express Holding LLC for an Order Approving the Acquisition by Invenergy

ASSUMPTION (continued)

Transmission LLC of Grain Belt Express Clean Line LLC was approved by the PSC effective June 30, 2019.

Oversight notes that this proposal narrows the scope of the bill by stating which entities are excluded from the new provisions. Oversight notes that while there may be no direct impact to the state or local governments as a result of this proposal, modifying provisions relating to the power of eminent domain for utility purposes could have an indirect impact on current and future utility projects.

§610.021 - Modifies provisions for the Sunshine Law

In response to a similar proposal from this year (HCS for HB 2725), officials at the **City of Kansas City, City of O’Fallon, City of Columbia,** and the **Wellsville-Middletown R-I public schools** each assumed this proposal has no fiscal impact.

In response to a similar proposal from this year (HCS for HB 2725), officials from the **City of Springfield** state they would anticipate incurring modest expense in duplicating the written testimonies of members of the public if a public emergency caused the failure of equipment or otherwise curtailed the ability to scan the testimony for electronic dissemination, but any such costs would likely be very minor. The City anticipates no significant fiscal impact.

§620.2459 - Broadband Internet Grant Program

Oversight notes this proposed legislation extends the sunset date of the Broadband Internet Grant Program from August 28, 2021 to June 30, 2030.

Oversight notes HB 7 of the 2019 Regular Session appropriated \$5 million for the Broadband Internet Grant Program. Oversight also notes the **current** (CCS for SCS for HS for HCS for HB 2007) version of **HB 2007 (2020)** appropriates **\$0** to DED for Broadband Grants (Section 7.105).

In response to a similar proposals from this year, officials from **B&P** stated this section will have no direct impact on General Revenue (GR) and Total State Revenues (TSR) or the calculation pursuant to Article X, Section 18e.

For Fiscal Year 2020, \$5 million is appropriated for the Broadband program. This proposal extends the program to June 30, 2027. To the extent new appropriations are made from GR, resources otherwise available for other budget priorities might be reduced.

This section may result in additional induced revenues, which B&P cannot estimate.

ASSUMPTION (continued)

Oversight notes, in response to the previous version of this proposed legislation, **DOR** has stated this section would not have a direct fiscal impact on that organization.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero fiscal impact in the fiscal note for this organization as it relates to this section

In response to similar proposals from this year, officials from **DED** stated, because the grant program is subject to appropriation, the impact to GR is not yet known. Based on the current appropriation, the cost could be equal to or exceed \$5 million. DED anticipated the need for an additional 0.5 FTE (Economic Development Specialist III - 26,163 annually) to assist with program administration, logistics, and compliance.

Oversight notes DED has stated an additional .5 FTE is required to assist with program administration, logistics, and compliance. Oversight assumes, as this is an existing program under DED, that DED could absorb the costs associated with the extension of the sunset date. Oversight further assumes if the program is appropriated revenues that generate a significant increase in applicants who wish to receive a grant under this program, DED may seek additional FTE through the appropriation process.

In response to similar legislation (HB 1859 - 2020), the **Missouri Department of Agriculture** and the **Missouri State Treasurer's Office** stated this section would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero fiscal impact in the fiscal note for these organizations as it relates to this section.

§§ 640.141, 640.142, 640.144, & 640.145 - Water Safety and Security

In response to a similar proposal from this year (HB 2120), officials from the **City of Kansas City** assumed the proposal will have no fiscal impact on their organization. Exceptions have been created in various provisions of the proposal for cities with populations in excess of 30,000.

Oversight notes that the City of Kansas City has 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 the City of Kansas City.

Oversight notes that cities with a population of less than 30,000 could incur costs to upgrade their water systems and perform the required inspections listed in this proposal; therefore, Oversight will reflect an “unknown” cost to local political subdivisions.

ASSUMPTION (continued)

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities and water districts were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

§701.200 - Testing guideline for lead in elementary school buildings

In response to a similar proposal from this year (SB 885), officials at the **Department of Elementary and Secondary Education**, **Department of Health and Senior Services** and the **Department of Natural Resources** each assumed this proposal has no fiscal impact on their respective agencies.

Oversight assumes that because this bill permits schools to test drinking water for lead, and makes it subject to appropriation, this will have net \$0 direct fiscal impact to school districts, and \$0 or (Unknown) to state agencies depending upon the number of school districts that apply to be tested, the number of water sources tested, and the appropriation approved by the state.

Oversight notes, according to statistics from the Department of Elementary and Secondary Education, there are 1,228 elementary school buildings and 44 charter elementary school buildings in Missouri. Oversight does not have information regarding the ages of the buildings. Oversight notes testing could be conducted at several water sources within a single building.

Bill as a whole:

In response to similar legislation from this year, officials from the **Joint Committee on Administrative Rules (JCAR)** stated this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

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

In response to similar legislation from this year, officials from the **Office of the Secretary of State (SOS)** assume 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. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. 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

ASSUMPTION (continued)

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 require additional resources.

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

In response to a previous version, officials from the **Attorney General's Office, Department of Social Services, Office of the State Public Defender, Department of Higher Education, Department of Health and Senior Services, Department of Corrections, Department of Labor and Industrial Relations, Department of Public Safety (Fire Safety, Missouri Highway Patrol, Capitol Police, Alcohol & Tobacco Control, Gaming Commission, Missouri National Guard, State Emergency Management Agency and the Veterans Commission), Missouri Lottery Commission, Missouri Consolidated Health Care Plan, Missouri House of Representatives, Office of Prosecution Services, Office of Administration (Administrative Hearing Commission), Office of the State Courts Administrator, Office of the State Auditor, Missouri Senate, and the State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies 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 only reflects the responses that we have received from state agencies and political subdivisions; however, other local political subdivisions were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
GENERAL REVENUE FUND			
<u>Loss</u> - Extended expiration date of the Broadband Internet Grant Program (subject to appropriation) (\$620.2459) p.11-12	\$0	\$0 or could exceed (\$5,000,000)	\$0 or could exceed (\$5,000,000)
<u>Transfer out</u> - To school districts Appropriation for school water testing (\$701.200) p.13	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 to <u>(Unknown)</u>	\$0 or could exceed <u>(\$5,000,000)</u>	\$0 or could exceed <u>(\$5,000,000)</u>
STATE FACILITY MAINTENANCE AND OPERATION FUND (0501)			
<u>Cost</u> - OA Potential increase in utility costs (§§393.1012) p. 9-10	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE STATE FACILITY MAINTENANCE AND OPERATIONS FUND	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
VARIOUS STATE FUNDS			
<u>Cost</u> -Various State Agencies Potential increase in gas and electric utility costs (§§393.1012) p.9-10	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
ESTIMATED NET EFFECT TO VARIOUS STATE FUNDS	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2021 (10 Mo.)	FY 2022	FY 2023
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BLIND PENSION FUND

<u>Revenue</u> - Gain or Loss - changes to the assessment of wind energy projects (§137.123) p. 6	\$0	Unknown to (Unknown)	Unknown to (Unknown)
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ESTIMATED NET EFFECT TO THE BLIND PENSION FUND	<u>\$0</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
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LOCAL POLITICAL SUBDIVISIONS

Section 67.1846 - Prohibits Linear Foot Fees p. 4 - 5	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
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<u>Revenue</u> - Gain or Loss - changes to the assessment of wind energy projects (§137.123) p. 6	\$0	Unknown to (Unknown)	Unknown to (Unknown)
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<u>GR Transfer in</u> - Funds to school districts for water testing (§701.200) p. 12	Unknown	Unknown	Unknown
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<u>Cost</u> - Local Governments Potential increase in gas and electric utility costs (§§393.1012) p. 8	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
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<u>Cost</u> - Local City-Owned Utilities/Water Districts - Update water systems and perform inspections (§§640.142, - 640.145) p.12	(Unknown)	(Unknown)	(Unknown)
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<u>Cost</u> - School district water testing (§701.200) p.12	(Unknown)	(Unknown)	(Unknown)
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ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	Unknown to <u>(Unknown)</u>	Unknown to <u>(Unknown)</u>	Unknown to <u>(Unknown)</u>
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FISCAL IMPACT - Small Business

Small business gas utility customers could expect fiscal impact as a result of this proposal as this legislation allows for cost recovery of investments through cost-recovery mechanisms.

This proposed legislation could impact any small business that would not have been awarded a grant had the sunset/expiration date of this program be extended.

Small business gas utility customers could expect fiscal impact as a result of this proposal as this legislation allows for cost recovery of investments through cost-recovery mechanisms.

Small utility businesses and/or small businesses that are impacted by eminent domain could be impacted by this proposal.

There may be a direct fiscal impact to those public water systems that meet the definition of a small business as a result of this proposal. This may include not only those systems that will be regulated, but also any small business that may have to adjust water rates to allow the water system to comply with this bill.

Small businesses could have an increase in utility cost as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions relating to utilities.

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 Commerce and Insurance
 Public Service Commission
 Office of Public Counsel
Department of Natural Resources
Department of Transportation
Office of Administration
Department of Higher Education & Workforce Development
Attorney General's Office

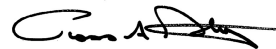
Office of the State Public Defender
Department of Economic Development
State Tax Commission

SOURCES OF INFORMATION (continued)

Missouri Lottery Commission
Missouri Consolidated Health Care Plan
Office of Administration
 Administrative Hearing Commission
Missouri Senate
Department of Natural Resources
Office of the State Courts Administrator
Department of Health and Senior Services
Department of Elementary and Secondary Education
Joint Committee on Administrative Rules
Office of Administration
 Budget and Planning
Department of Revenue
Department of Social Services
State Auditors Office
Office of the Secretary of State
City of Springfield
Kansas City
City of O'Fallon
City of Columbia
Adair County
Metropolitan St. Louis Sewer District
Wellsville-Middletown R I Public School District



Julie Morff
Director
May 13, 2020



Ross Strope
Assistant Director
May 13, 2020