

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1129H.04C
 Bill No.: HCS for SB 155
 Subject: Boards, Commissions, Committees, and Councils; General Assembly; Banks and
 Financial Institutions; Education, Elementary and Secondary; Department of
 Public Safety
 Type: Original
 Date: April 25, 2023

Bill Summary: This proposal modifies provisions related to certain administrative entities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue*	\$0 or Up to (\$555,000)	\$0 or Up to (\$577,200)	\$0 or Up to (\$599,844)
Total Estimated Net Effect on General Revenue	\$0 or Up to (\$555,000)	\$0 or Up to (\$577,200)	\$0 or Up to (\$599,844)

*Amounts reflect increased appropriations to regional planning commissions (§251.034)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Local Government	\$0 or Up to \$555,000	\$0 to Up to \$10,977,200	\$0 to Up to \$10,999,844

FISCAL ANALYSIS

ASSUMPTION

§21.851 – Joint Committee on Disaster Preparedness

In response to a similar proposal from 2023 (SB 319), officials from the **Missouri House of Representatives (MHR)** assumed no fiscal impact. The MHR assumed the joint contingent appropriation, managed by the Senate, will still absorb any reasonable expenses of the House members serving on the committee.

In response to a similar proposal from 2023 (SB 319), officials from the **Missouri Senate (SEN)** stated they anticipate a negative fiscal impact to the senate contingent appropriation to reimburse the 13 committee members for travel to meetings of the Joint Committee on Disaster Preparedness and Awareness. The SEN assumes a cost of approximately \$1,870 per meeting.

Oversight notes this amendment indicates 10 members, rather than the 13 indicated in SB 319.

Officials from the **State Emergency Management Agency** and **Missouri National Guard, Department of Public Safety – Director’s Office** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DPS.

In response to a similar proposal from 2023 (SB 319), officials from the **Missouri Department of Agriculture** assumed the proposal would not fiscally impact their agency.

Oversight notes the authorization for this committee expired on December 31, 2022, and this proposal would make the committee permanent. Oversight assumes the continued cost of reimbursement of committee members for actual and necessary expenses would not create a material fiscal impact to the senate contingent fund. Should multiple bills pass the Senate reserves the right to ask for additional appropriation.

§21.950 – Appointment of Commissioners to a Constitutional Convention

In response to a similar proposal from 2023 (SB 274), officials from the **Missouri Senate (SEN)** anticipated a negative fiscal impact to reimburse 10 legislators for travel to joint committee meetings. In summary, the SEN assumes it will cost approximately \$1,438 per meeting.

In response to a similar proposal from 2023 (SB 274), officials from the **Missouri House of Representatives (MHR)** assumed no fiscal impact with the assumption that the General Assembly is in session when they need to act. Also, the MHR assumes the joint contingent appropriation will cover any reasonable expenses of their members serving on the committee. They defer to the Senate on any impact to the joint contingent appropriation.

Oversight assumes the proposal simply governs the selection and participation of commissioners from Missouri if such a call were made. Oversight assumes the proposal would not have a material direct fiscal impact on the state. Therefore, Oversight will reflect a zero impact on the fiscal note for this section of the proposal.

§67.2727 – Governing Bodies’ Meeting Requirements

In response to a similar proposal from 2023 (HCS for HB 1295), officials from **Cole County** assumed this proposal would have a fiscal impact of up to \$622.18 per meeting. This amount is based on the compensation of department directors and senior staff members who are required to attend County Commission meetings, which are scheduled at least weekly. This results in an annual cost of \$32,353.36 of staff time that may not be productive. This number does not include the compensation of any elected officials who may also be required to attend.

In response to a similar proposal from 2023 (HCS for HB 1295), officials from the **Missouri Highway Patrol**, the **City of Springfield**, the **Phelps County Sheriff** and the **St. Louis County Police Department** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a similar proposal from 2023 (HCS for HB 1295), officials from the **City of Kansas City** and the **Branson Police Department** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight assumes this proposal sets out requirements by July 1, 2024, for local political subdivisions (LPS) to adopt a meeting speaker policies to ensure certain requirements of the proposal are followed at each meeting of the governing body of the LPS. Oversight assumes the local political subdivisions could absorb any additional costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, LPS could request funding through the appropriation process. Therefore, Oversight will reflect no fiscal impact from this section of this proposal.

§100.265 – Missouri Development Finance Board

Officials from the **Department of Economic Development** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

In response to a similar proposal from 2023 (SB 277), officials from the **Missouri House of Representatives** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal from 2022 (SB 865), officials from the **Missouri Senate** assumed no fiscal impact.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Oversight will assume both the Missouri House of Representatives and the Missouri Senate could absorb the minimal costs of having two additional members each serve on the Missouri Development Finance Board, and will reflect a zero impact on the fiscal note.

§104.160 - Board of Trustees of the Missouri Department of Transportation and Highway Patrol Employees' Retirement System

In response to a similar proposal from 2023 (HB 923), officials from **Joint Committee on Public Employee Retirement (JCPER)** stated this proposal has no direct fiscal impact to the Joint Committee on Public Employee Retirement. The JCPER's review of this legislation indicates it would not affect retirement plan benefits as defined in Section 105.660(9).

In response to a similar proposal from 2023 (HB 923), officials from **MoDOT & Patrol Employees' Retirement System (MPERS)**, stated this proposed bill, if enacted, would stagger the terms for MPERS' elected trustees. MPERS has four trustees elected by representative bodies (two active employees, one each from MoDOT and the Highway Patrol and two retirees, one each from MoDOT and the Highway Patrol) for four-year terms. At present, all four of these positions become eligible for reelection at the same time. In the event all four trustees had opposition and then were all replaced with new trustees, MPERS' board would have a significant turnover of trustees (4 out of 11 total trustees) and loss of institutional knowledge because some of the elected trustees have been on the board for several years.

If enacted, MPERS would hold the scheduled election in March of 2026. The active trustees elected at that time would serve a two-year term rather than four years. MPERS would hold a new election for the active trustees in March of 2028 and those newly elected active trustees would then serve a four-year term going forward, thereby staggering the terms.

The outcome will require MPERS to hold elections more often (every two years rather than every four years), but it is not a significant enough change to overshadow the benefit of not losing four elected trustees simultaneously. The MPERS Board of Trustees is going through several process improvements intended to improve the organization and its oversight. This proposal is one of those improvements. This proposal will have no fiscal impact.

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

Oversight notes that above agencies have stated the proposal 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 impact on the fiscal note for this section of the proposal.

§§115.062, 162.261, 162.471, 162.481, 162.492, 162.601 & 162.611 – School Board Members Terms

In response to a similar proposal from 2023 (HCS for HB 800), 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. 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 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.

In response to a similar proposal from 2023 (HCS for HB 800), officials from the **Department of Elementary and Secondary Education** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal from 2023 (HCS for HB 800), officials from the **Jackson County Board of Elections**, the **Platte County Board of Elections**, and the **St. Louis County Board of Elections** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agency 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 these sections of the proposal.

§§169.070, 169.560 & 169.596 - Public Schools and Education Retirement System (PSRS) and Public Education Employee Retirement System (PEERS)

Current Status of the Public School Retirement System (PSRS) as of June 30, 2022:

Active members: 78,973
Inactive members: 87,096 (includes retired, surviving beneficiary, disabled and terminated vested)

		Funded Ratio
Market Value of Assets:	\$47,671,054,492	
Actuarial Value of Assets:	\$47,185,300,000	85.2%
Liabilities:	\$55,405,259,756	

Covered Payroll: \$5,271,368,324

Recommended Contribution for FY 2022: 29% - Employers and employees contribute in equal amounts of 14.5%.

Percent	Dollars (Estimated)	
Employer	14.5%	\$764,348,407 (estimated)
Employee	14.5%	\$764,348,407 (estimated)
Total	29.0%	\$1,528,696,814 (estimated)

Current Status of the Public Education Employee Retirement System (PEERS) as of June 30, 2022:

Active Members: 50,179
Inactive Members: 81,318 (includes retired, surviving beneficiary, disabled and terminated vested)

		Funded Ratio
Market Value of Assets:	\$6,153,590,531	
Actuarial Value of Assets:	\$6,113,154,000	87.3%
Liabilities:	\$6,998,708,341	

Covered Payroll: \$1,864,704,185

Recommended contribution rate for FY2022: 13.72%. Employers and employees contribute in equal amounts of 6.86%.

	Percent	Dollars
Employer	6.86%	\$127,918,707 (estimated)
Employee	6.86%	\$127,918,707 (estimated)
Total		\$255,831,414 (estimated)

In response to a similar proposal from 2023 (Perfected HCS for HB 497), officials from the **Public Schools and Education Employee Retirement Systems (PSRS/PEERS)** stated the Systems have an actuary firm, PricewaterhouseCoopers (PwC), that prepares actuarial cost statements on any proposed legislation as well as the annual actuarial valuation reports for the Systems. PwC has provided a cost statement for this legislation.

The overall results and impacts of this legislation is discussed below.

This legislation, as currently drafted, has three specific components impacting Public School Retirement System of Missouri (PSRS) and the Public Education Employee Retirement System (PEERS) that are each addressed below.

Section 169.560 - Working After Retirement - PSRS Retiree in Non-Certificated Position

Currently, any retired teacher from PSRS can be employed in a non-certificated position covered under PEERS without impacting their retirement benefit up to certain limitations. Any certificated retiree may earn up to 60% of the minimum teacher's salary (\$15,000) as established by Section 163.172, RSMo, and will not contribute to the retirement system or earn creditable service for that work. The employers would be required to contribute into the PEERS for such employment.

This legislation will allow a retired, certificated teacher, working in a non-certificated position covered under PEERS, to earn up to 133% the annual earnings limit applicable to a Social Security limitation as set forth in 20 CFR 404.430 through June 30, 2028. After June 30, 2028 the retired, certificated teacher, working in a non-certificated position covered under PEERS, would be able to earn up to the annual earnings limit applicable to a Social Security limitation as set forth in 20 CFR 404.430.

PwC reviewed this portion of the legislation and estimate the impact of the proposed change to increase the pay-based limit on working after retirement under RSMo 169.560 Paragraph 2, in particular the increase to 133% of the annual Social Security earnings exemption amount through June 30, 2028 and then to 100% of the annual Social Security earnings exemption amount thereafter, to be a **fiscal loss to PSRS** if there is a change in active member retirement behavior to retire earlier as a result. This analysis is based on this provision in isolation and not the aggregate impact of all components of the legislation.

PwC indicated the proposed change to Section 169.560 Paragraph 2 is expected to result in an **insignificant fiscal gain to PEERS**.

Section 169.596 - Critical Shortage

The critical shortage employment exception found in Section 169.596, RSMo is a statutory provision which allows covered employers who meet certain requirements (as set forth in statute) to employ a limited number of PSRS/PEERS retirees up to full-time without affecting the payment of their retirement benefits. Each retired member is limited to two years working under the critical shortage employment exception.

During the two years of critical shortage employment, employer contributions must be made on all salary earned, including employer-paid medical insurance premiums and pay for additional duties. The retired members employed under this provision continue to receive benefits, but do not contribute to PSRS/PEERS or earn service. By statute, districts cannot use the critical shortage employment exception to fill the position of superintendent.

This legislation allows retirees to return to work under the critical shortage exemption statute up to four years versus the current two-year restriction. PwC reviewed this portion of the proposed legislation and noted it is expected to have **an insignificant fiscal gain for both PSRS and PEERS**.

Critical Shortage – Number of Positions Allowed

The critical shortage employment exception found in Section 169.596, RSMo, indicates the total number of retired certificated teachers hired under the critical shortage declaration shall not exceed the lesser of ten percent of the total teacher staff for that school district, or five certificated teachers. The proposed legislative would change this provision to be the greater of one percent of the total certificated teachers and non-certificated staff for that school district or five certificated teachers.

PwC reviewed this portion of the proposed legislation and noted it is expected to have an **insignificant fiscal gain for PSRS and PEERS**.

Section 169.070 - 2.55% Formula Factor Provision

This legislation removes the expiration date of July 1, 2014, for the 2.55% Formula Factor Provision with 31 or more years of service for 169.070.1(8), RSMo for members of the Public School Retirement System of Missouri (PSRS). Additionally, this legislation amends the years of service requirement for the provision from 31 or more years of service to 32 or more years of service.

Currently, PSRS members who have 32 years or more of creditable service and retire have their retirement benefit calculated using a multiplier of 2.5%. The 2.55% Benefit Formula Factor Provision would allow for eligible members with 32 or more years of service to retire with an additional 0.05% Formula Factor.

The analysis prepared by PwC indicating, the proposed legislation would reduce the Plan's Actuarial Accrued Liability (AAL) by \$234.4 million and result in an increase to the Plan's pre-funded ratio of 0.37%.

There are two components that impact the Actuarially Determined Contribution Rate (ADC) for a public retirement plan; the Normal Cost Rate (NC) and the Unfunded Actuarial Accrued Liability Rate (UAAL). The reduction of the AAL, results in a decrease in the annual UAAL rate resulting in annual savings of approximately \$14 million for the next 30 years (for PSRS). There are additional annual savings of \$7.2 million per year due to the reduction of the normal cost as a result of these provisions being made a permanent part of the benefit structure. The annual normal costs savings will continue as long as the new provisions are in force (this could extend beyond 30 years).

The annual savings of \$21.2 million per year for the next 30 years is due to the reduction of the UAAL Rate and the NC Rate of the Plan as a result of the 2.55% provision being made a permanent part of the benefit structure (for PSRS).

PWC modeled two scenarios based on current information that result in a fiscal gain for PSRS. PWC further notes that it is also possible for PSRS to experience no fiscal gain or a fiscal cost related to these changes, depending on whether or not active members and employers change their behavior as expected. This portion of the legislation has no impact on PEERS.

Aggregate Fiscal Impact to PSRS/PEERS

There are only two provisions that are expected to have a significant impact on the Systems. Those provisions are the changes to the annual earnings limit for PSRS retirees working in non-certificated positions and the reinstatement of the 2.55% formula factor for PSRS members that work at least 32 years. As discussed, the 2.55% formula factor provisions are a significant fiscal savings to PSRS.

If, the change in the annual earnings limit for PSRS retirees working in non-certificated positions through June 30, 2028, incentivizes PSRS members to retire earlier than expected the savings from the 2.55% provision would be diminished. However, since the increased annual earnings limit is for a very limited time the savings are not substantially diminished, **resulting in a cost savings in total.**

The analysis prepared by PwC indicated, that the proposed legislation could reduce the Plan's Actuarial Accrued Liability (AAL) by \$213.7 million and result in an increase to the Plan's pre-funded ratio of 0.33%, under this scenario. It is further estimated that the actuarially determined contribution would decrease resulting in annual savings of \$20.8 million per year for the next 30 years.

The aggregate impacts to PEERS are not anticipated to be fiscally significant.

Oversight assumes the reduction in the Normal Cost Rate and the Unfunded Actuarial Accrued Liability will result in a decrease to the Actuarially Determined Contribution (ADC) Rate.

Oversight notes the estimated annual savings of \$20.8 million is split between employer contributions and employee contributions. The estimated employer contributions would decrease by \$10.4 million per year. Oversight will reflect a potential savings to school districts for the employer contribution savings.

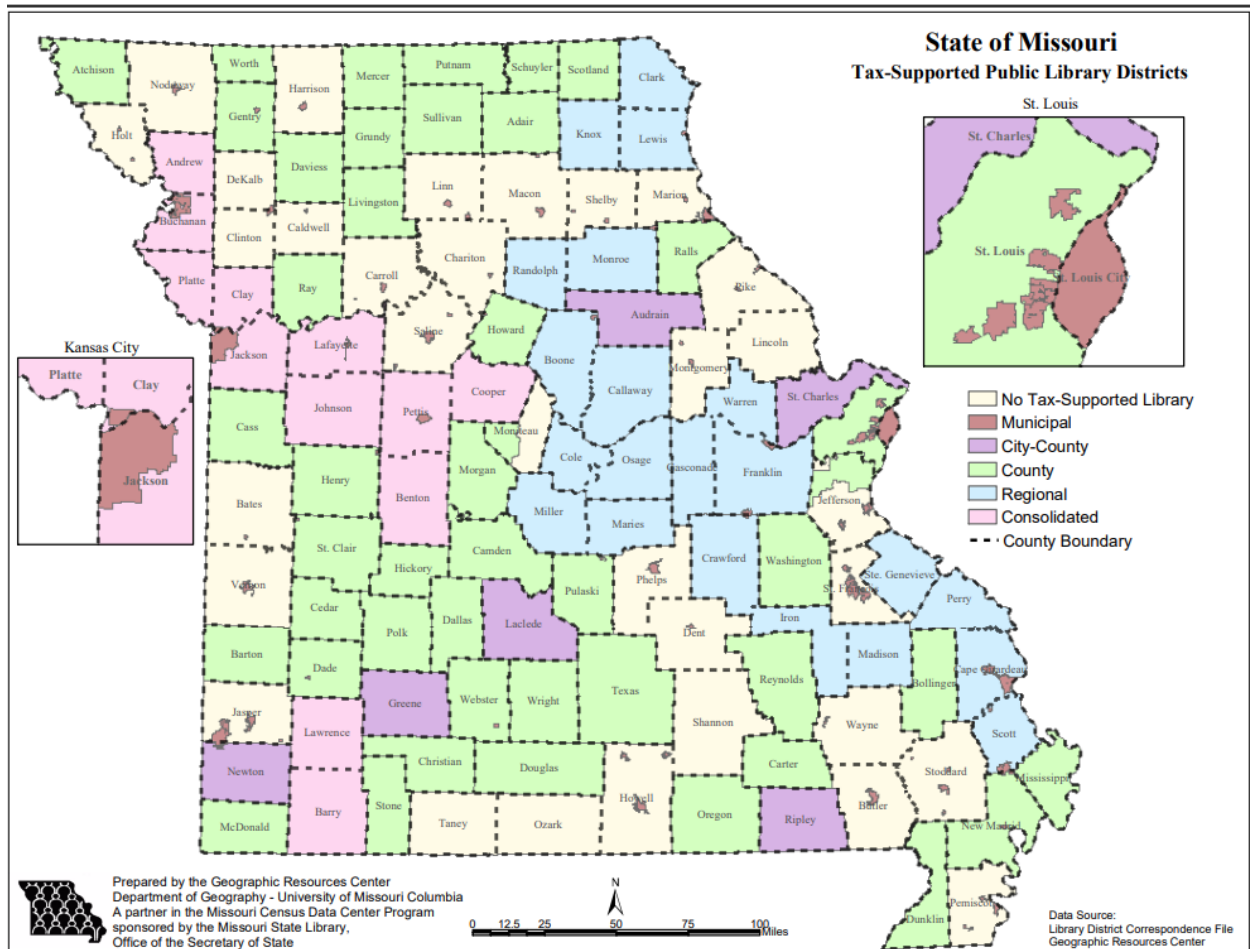
Oversight will show a range of impact of \$0 (little or no change in the behavior of active members and employers) to a savings in employer contributions as provided by the actuarial cost estimate. Oversight assumes this proposal is effective August 28, 2023 (FY 2024). Given that actuarial-determined contribution rates will have already been determined for FY 2024 once this proposal is effective, Oversight will show a savings to local school districts beginning FY 2025.

§182.645 – Consolidated Public Library Districts

In response to a similar proposal from 2023 (HB 437), officials from the **Office of the Secretary of State (SOS)** and the **Office of the State Auditor** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight assumes the proposal would not have a direct fiscal impact to public library districts.

Oversight notes according to the SOS's website there are 12 counties (Cooper, Pettis, Benton, Johnson, Lafayette, Lawrence, Barry, Jackson, Clay, Platte, Buchanan & Andrew) in the state that have consolidated public library districts as listed in the chart below:



§§190.100 & 190.142 – Emergency Medical Services

In response to a similar proposal from 2023 (HCS for HB 1128), officials from the **Department of Commerce and Insurance**, the **Department of Health and Senior Services**, the **Department of Public Safety – Missouri Highway Patrol**, the **Department of Social Services**, the **City of Kansas City**, the **City of Springfield**, the **Phelps County Sheriff’s Department**, the **Branson Police Department**, the **Kansas City Police Department** and the **St. Louis County Police Department** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies for these sections.

§190.327 – Emergency Services Boards in Jefferson County

In response to a similar proposal from 2023 (HB 1208), officials from the **Office of Administration - Budget and Planning (B&P)** assumed the proposal repeals the charter county of Jefferson’s 0.25% emergency services sales tax limit. B&P defers to Jefferson County Emergency Services Boards for the fiscal impact of this proposal. The DOR 1% administration fee for handling the collection of the taxes may be impacted by the changes depending upon whether the 0.25% sales taxes increase or decrease. This will impact TSR. B&P defers to DOR on the fee impact from this legislation.

In response to a similar proposal from 2023 (HB 1208), officials from the **Department of Revenue (DOR)** assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DOR for this section.

Oversight inquired DOR further on their response. DOR stated the following:

Jefferson County EMG District does have a ½% sales tax for emergency services that brought in approximately \$11 M in 2022. However, they are allowed up to a 1% sales tax per §190.335 which is what they are formed under.

DOR notes the following locations in statute for services: Emergency services (§§190.290 to 190.320), central dispatch (§§190.325 to 190.334) and central dispatch alternatives (§§190.335 to 190.340). This last category is what Jefferson County is created under, so the bill appears to be eliminating unnecessary language.

§§191.305, 192.745 & 194.300 – Advisory Bodies for the Department of Health and Senior Services

In response to a similar proposal from 2023 (HB 1099), officials from the **Department of Health and Senior Services** and the **Office of the Governor** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§§204.300 & 204.610 – Compensation for Trustees of Sewer Districts

In response to a similar proposal from 2023 (HB 697), officials from the **St. Louis County Board of Elections**, the **Little Blue Valley Sewer District**, the **Office of the Secretary of State** and the **Metropolitan St. Louis Sewer District** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation from 2022, HCS for HB 1918, officials from the **City of St. Louis** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight assumes this proposal is permissive in nature and would have no local fiscal impact without action or decisions by the governing body of the count. Therefore, Oversight will reflect no direct fiscal impact for these sections of this proposal.

§215.020 – Missouri Housing Development Commission

In response to a previous version, officials from the **Department of Economic Development** assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

In response to a similar proposal from 2023 (SB 237), officials from the **Office of the Governor** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal from 2023 (SB 237), officials from the **Missouri House of Representatives** assumed no fiscal impact – the House will absorb any reasonable expenses of their members serving on the Commission.

In response to a similar proposal from 2023 (SB 237), officials from the **Missouri Senate (SEN)** stated they anticipate a negative fiscal impact to the Senate contingent appropriation to reimburse 2 Senators for travel and per diem to attend meetings of the Missouri Housing Development Commission. In summary, it will cost approximately \$381.60 per meeting. The SEN assumes no fiscal responsibility for the other committee members.

Oversight assumes adding four members (two from the House of Representatives and two from the Senate) to the Missouri Housing Development Commission would not create a material fiscal impact. Therefore, Oversight will not reflect a fiscal impact from this change.

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 this section.

§251.034-Regional Planning Commissions

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

In response to a similar proposal from 2023 (SB 634), officials from the **Department of Economic Development** assumed the proposal would have no fiscal impact on their organization.

Oversight notes the regional planning commissions receive funds from the Office of Administration and are required to be matched with local funds. This proposal doubles those limits and also provides for adjustments with the consumer price index beginning January 1, 2025. Oversight will reflect amounts “Up to” the proposed new amounts as these are caps, not actual appropriations. Oversight will use an inflation rate of 2% to calculate the amounts for FY 2025 and beyond. Oversight notes the appropriation in the current budget cycle (Perfected HB 5 – Section 5.305) is \$560,000, so there may be not additional fiscal impact in FY 2024.

Regional Planning Commission	Current Cap on Funding	Proposed Cap on Funding
East-West	\$65,000	\$130,000
Mid-American Regional Council	\$65,000	\$130,000
South Central Ozark	\$25,000	\$50,000
Ozark Foothills	\$25,000	\$50,000
Green Hills	\$25,000	\$50,000
Bootheel	\$25,000	\$50,000
Mark Twain	\$25,000	\$50,000
Southeast Missouri	\$25,000	\$50,000
Boonslick	\$25,000	\$50,000
Northwest Missouri	\$25,000	\$50,000
Mid-Missouri	\$25,000	\$50,000
Kaysinger Basin	\$25,000	\$50,000
Lake of the Ozark	\$25,000	\$50,000
Meramec	\$25,000	\$50,000
Northeast Missouri	\$25,000	\$50,000
Harry S. Truman	\$25,000	\$50,000
MO-Kan	\$25,000	\$50,000
Pioneer Trails	\$25,000	\$50,000
Southwest Missouri	\$25,000	\$50,000
Total	\$555,000	\$1,110,000

§262.217 – State Fair Commission

Officials from the **Missouri Department of Agriculture** and the **Office of the Governor** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight notes this proposal adds three members to the State Fair Commission (12).

MDA assumes a cost of approximately \$10,000 per year for the additional three members.

Oversight assumes the additional cost will not create a material fiscal impact.

§§190.134, 650.320 & 650.340 – Emergency Medical Dispatchers

In response to a similar proposal from 2023 (HB 924), officials from the **Department of Health and Senior Services**, the **Department of Public Safety – (Fire Safety, Office of the Director, and Missouri Highway Patrol)**, the **Kansas City Police Department**, the **St. Louis County Police Department**, and the **Phelps County Sheriff’s Department** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to similar legislation from 2023 (SB 449), officials from the **St. Joseph Police Department** and the **Webster Groves Fire Department** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these sections.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
GENERAL REVENUE			
<u>Revenue</u> – DOR – 1% collection fee on sales taxes (§190.327) p. 13	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Transfer Out</u> – to regional planning commissions (§251.034) p. 15	<u>Up to (\$555,000)</u>	<u>Up to (\$577,200)</u>	<u>Up to (\$599,844)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 or Up to (\$555,000)</u>	<u>\$0 or Up to (\$577,200)</u>	<u>\$0 or Up to (\$599,844)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost Avoidance</u> – School Districts - reduction in actuarially determined contributions (§169.070) p. 7-11	\$0	\$0 to \$10,400,000	\$0 to \$10,400,000
<u>Revenue</u> – Jefferson County - potential increase in sales tax for emergency services from repealed proposal (§190.327) p. 13	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Transfer In</u> – Regional Planning Commissions - from General Revenue (§251.034) p. 15	<u>Up to \$555,000</u>	<u>Up to \$577,200</u>	<u>Up to \$599,844</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or Up to \$555,000</u>	<u>\$0 to Up to \$10,977,200</u>	<u>\$0 to Up to \$10,999,844</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

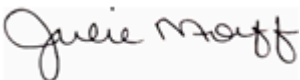
This proposal modifies provisions relating to certain administrative entities.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

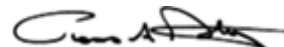
SOURCES OF INFORMATION

Missouri Department of Agriculture
 Office of the Governor
 Missouri Senate
 Missouri House of Representatives
 Department of Public Safety – Office of the Director

Department of Public Safety – Fire Safety
Missouri National Guard
Department of Economic Development
Joint Committee on Public Employee Retirement
MoDOT & Patrol Employees' Retirement System
Missouri Department of Transportation Missouri Highway Patrol
Office of the Secretary of State
Department of Elementary and Secondary Education
Public Schools and Education Employee Retirement Systems
Office of the State Auditor
Department of Commerce and Insurance
Department of Health and Senior Services
Missouri Highway Patrol
Department of Social Services
Department of Revenue
Office of Administration - Budget and Planning
City of Kansas City
City of Springfield
Phelps County Sheriff
Branson Police Department
St. Louis County Police Department
Cole County
Jackson County Board of Elections
Platte County Board of Elections
St. Louis County Board of Elections
Kansas City Police Department
City of St. Louis
Metropolitan St. Louis Sewer District
Little Blue Valley Sewer District
St. Joseph Police Department
Webster Groves Fire Department



Julie Morff
Director
April 25, 2023



Ross Strobe
Assistant Director
April 25, 2023