

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1229S.08S
 Bill No.: CCS for HCS for SS for SB 222
 Subject: State Auditor; Boards, Commissions, Committees, and Councils; Business and Commerce; Cities, Towns, and Villages; Civil Procedure; Construction and Building Codes; Contracts and Contractors; Counties; County Government; County Officials; Courts; Easements and Conveyances; Emergencies; Guardians; Jackson County; Kansas City; Landlords and Tenants; Law Enforcement Officers and Agencies; Libraries and Archives; Parks and Recreation; Planning and Zoning; Political Subdivisions; Property, Real and Personal; Public Officers; Public Records, Public Meetings; Roads and Highways; Saint Louis City; Taxation and Revenue - Sales and Use; Telecommunications; Sunshine Law

Type: Original
 Date: May 10, 2023

Bill Summary: This proposal modifies provisions relating to political subdivisions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue*	Unknown or (Unknown)	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on General Revenue	Unknown or (Unknown)	\$0 or Unknown	\$0 or Unknown

*Oversight assumes the fiscal impact would not reach the \$250,000 threshold.

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 (Unknown) to Unknown	\$0 or (Unknown) to Unknown	\$0 or (Unknown) to Unknown

FISCAL ANALYSIS

ASSUMPTION

§§29.005, 29.225, 29.235, 52.150, 374.250, 610.021 – Powers of the State Auditor

In response to a similar proposal from 223 (HB 1175), officials from the **Missouri State Auditor**, the **Attorney General's Office** and the **Department of Commerce and Insurance** each assumed the proposal would 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, numerous counties were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the MOLIS database is available upon request.

§44.251 – Protecting Missouri's Small Businesses Act

In response to a similar proposal from 2023 (Perfected HCS for HB 1263), officials from the **Office of Administration - Budget and Planning (B&P)** noted this proposal would require a reduction of fees, personal property tax, and real property tax in political subdivisions with shutdown orders. Qualifying shut down orders must be caused by reasons outside of a business' control.

Beginning January 1, 2024, any political subdivision with a shutdown order that lasts for at least 21 consecutive days or 45 cumulative days must:

- Waive all business license fees during the shutdown order or six months, whichever is longer.
- Reduce real and personal property tax liabilities based on the number of days a business was closed due to the shutdown order.

This proposal would not:

- Waive individual license or certification fees related to the practice of a profession.
- Require the state to provide restitution or replacement revenue to the political subdivision.

For shutdown orders that end before June 1st, the county assessor must reduce the property tax liability for all real and personal property located within the boundaries of the shutdown order.

The reduction shall be based on the number of days a business was closed due to the shutdown order. Affected taxpayers must then pay the reduced tax amount by December 31st.

For shutdown orders that end on or after June 1st, the taxpayer must pay the full property tax liability by December 31st. The county assessor must then provide information on how such taxpayer may apply for a refund. The taxpayer must apply for a tax refund by January 15th. The county assessor must then calculate the allowable refund amount by February 15th and pay all refund claims by March 15th.

B&P notes that Section 44.251.4(2) requires business owners that rent or lease their real property distribute the property tax savings to all renters and lessors.

B&P further notes that it is unclear whether this proposal would impact state property tax levies, if there were a statewide shutdown order. B&P also notes that the Blind Pension Trust Fund levies a \$0.03 per \$100 assessed value property tax on all real and personal property located within Missouri.

B&P is unaware of any restrictive public health orders currently in effect. Therefore, this proposal may have an unknown impact on state and local revenues in the future.

B&P notes the following concerns with the proposed language:

- State Impact
 - It is unclear whether this proposal would impact state property tax levies, if there were a statewide shutdown order. Section 44.251.2(2) includes orders by the state within the definition of “shutdown order”.

Therefore, B&P assumes that if there were a statewide shutdown order, state revenues would be impacted through the reduction in license fees as well as reductions in real and personal business property.

- Business License Fees
 - Section 44.251.4(1)(a) would require political subdivisions to waive business license fees for six months for any shutdown order that lasts less than 180 days. If a business is closed due to a shutdown order for 22 consecutive days, the political subdivision must still waive the fees for the full 180 days.

B&P further notes that the last sentence Section 44.251.4(1)(a) allows business license fees to be prorated, but the language provides no information as to how they may be prorated. B&P assumes that the license fees may be prorated for the remaining six months (or less depending on the length of the closure) of the year. B&P further assumes that the license fees may not be prorated to account for only the days a business was actually closed (if less than six months).

- Property Taxes – Shutdown orders ending before June 1st

- B&P notes that this proposal does not provide information on what would happen if a taxpayer paid the reduced tax after December 31. It is unclear whether the taxpayer would be assessed interest and penalties on the reduced tax liability or on the full tax liability.
- In addition, because the language is vague, it is also unclear if taxpayers would be liable for the full tax amount (amount before reduction) if they pay the tax liability after December 31st.
- Property Taxes – Shutdown orders ending on or after June 1st
 - B&P notes that it is unclear what would happen if a taxpayer paid the tax liability after December 31st. Whether a late payment would disqualify such taxpayer from receiving a refund, or whether interest and penalties would be assessed on the full tax liability or the remaining tax liability accounting for the refund amount.
 - B&P further notes that one month may not be enough time for a county assessor to review and calculate the eligible refund amount for all refund claims within that county. B&P notes that as of 2019, the median number of businesses per county was 385 and there were 25 counties with over 1,000 businesses.

In response to a similar proposal from 2023 (HB 1263), officials from the **Jackson County Assessor** assumed this proposed legislation could have a significant negative impact on County and other taxing jurisdiction's operations if the County were required to adjust property tax amounts for days closed due to public health order. This fiscal impact could be measured in the millions of dollars when applied across all taxing jurisdictions such as school districts and fire protection districts.

In 2020, Jackson County asked for the closure of all businesses deemed non-essential only after receiving guidance from the state Department of Health and federal Center for Disease Control (CDC). As soon as those closure recommendations changed at the federal and state levels, Jackson County eliminated its closure guidelines. A future national public health or public safety emergency may require the temporary closure of certain facilities to maintain public safety. Jackson County and its taxing jurisdictions should not be penalized for acting in the best interest of public health or safety.

Officials from the **City of Kansas City** noted this legislation could have a substantial negative impact of an indeterminate amount.

Officials from the **City of Springfield** anticipate a potential negative fiscal impact if the City needs to issue a shutdown order due to a public health emergency.

In response to a similar proposal from 2023 (Perfecting HCS for HB 1263), officials from the **State Tax Commission** 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 (Perfecting HCS for HB 1263), officials from the **City of O’Fallon**, the **City of Claycomo**, **Cole Camp Ambulance District**, 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 (Perfecting HCS for HB 1263), officials from the **Department of Social Services** assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary.

In response to a similar proposal from 2023 (Perfecting HCS for HB 1263), officials from the **St. Charles Community College** and **Kansas City Police Department** each assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary.

For purposes of this fiscal note, **Oversight** assumes this proposal would not impact the Blind Pension Fund. If this assumption is incorrect, it could substantially alter the impact provided in this fiscal note.

Oversight will present an impact on this fiscal note as a \$0 (no shutdown order implemented) to an unknown loss in revenue to local political subdivisions for the reduced property tax revenues and the waived business license fees.

§§64.570, 64.820, 65.665, 89.380 & 182.819 – Library Boards and County Planning Commissions

In response to a similar proposal from 2023 (Perfecting HCS for HB 986), officials from the **City of Jefferson** 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.

§67.137 – Moratorium on Eviction Proceedings

In response to a previous version, officials from the **Office of the State Courts Administrator** and **Department of Commerce and Insurance** 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.

In response to a similar proposal from 2022 (SB 1044), officials from the **Attorney General’s Office** assumed the proposal would have no fiscal impact on their organization.

In response to a previous version, officials from the **City of Jefferson** assumed there could be a fiscal impact if a court were to vacate a judgement a municipality has on a property as a result of the referenced court hearing. If a municipality had to hire an attorney to assist with such a court action, there could be a small fiscal impact.

In response to a previous version, officials from the **City of Kansas City** and the **City of Springfield** each assumed the proposal would 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 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities and counties were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

§§67.145, 70.631, 170.310, 190.091, 190.100, 190.134, 190.142, 190.147, 192.2405, 285.040, 321.225, 321.620, 537.037, 650.320, 650.330 & 650.340 – Telecommunicator First Responders

In response to a similar proposal from 2023 (SB 46), officials from the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services**, the **Department of Labor and Industrial Relations**, the **Department of Public Safety – (Fire Safety, Office of the Director and Missouri Highway Patrol)**, the **Office of Administration**, the **Kansas City Police Department**, the **St. Joseph Police Department**, the **St. Louis County Police Department**, and the **Phelps County Sheriff's Department** 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other police and sheriff's departments, fire protection districts, ambulance and EMS, schools and LAGERS were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in the MOLIS database is available upon request.

§67.2727 – Meetings of Governing Bodies of Political Subdivisions

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 only reflects the responses received from state agencies and political subdivisions; however, other cities, counties and local law enforcement agencies were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

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 proposal.

§67.5122 – Small Wireless Facilities

In response to a similar proposal from 2023 (SS for SB 152), officials from the **Department of Commerce and Insurance**, **City of Kansas City** and **City of Springfield** 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.

§79.235 – Residency Requirements for Cities of the Fourth Classification

In response to a similar proposal from 2023 (HB 516), officials from the **Department of Economic Development**, the **Department of Natural Resources**, the **Missouri Ethics Commission**, **Jefferson City**, **Kansas City**, the **City of Springfield** and **St. Louis City** 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.

Oversight notes this proposal allows the mayor of a 4th class city to appoint a member to a local board or commission if the prospective appointee owns real property or a business in the city. Oversight assumes the proposal will not have a direct fiscal impact.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities 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.

§84.344 – Residency Requirements for Certain Law Enforcement Personnel

In response to a similar proposal from 2023 (HB 967), officials from the **City of Kansas City** and **Kansas City 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.

§§84.480 & 84.510 – Kansas City Police Department

In response to a similar proposal from 2023 (HCS for HB Nos. 640 & 729), officials from the city of **Kansas City** and the **Kansas City Police Department (KCPD)** 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.

Oversight assumes removing the salary ceiling for the police chief and several officers (see current annual compensation maximum by rank below) will allow KCPD more flexibility in hiring/retaining officers.

Police Chief (\$189,726)
Lieutenant Colonels (\$146,124)
Majors (\$133,320)
Captains (\$121,608)
Sergeants (\$106,560)
Master Patrol Officers (\$94,332)
Master Detectives (\$94,332)
Detectives, Investigators and Police Officers (\$87,636)

§§162.471 & 162.492 – School Board Vacancies

In response to a similar proposal from 2023 (HB 914), officials from the **Jackson County Election Board, Kansas City Board of Election Commissioners, Platte County Election Board, St. Louis City Board of Election Commissioners** and **St. Louis County Election Board** 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.

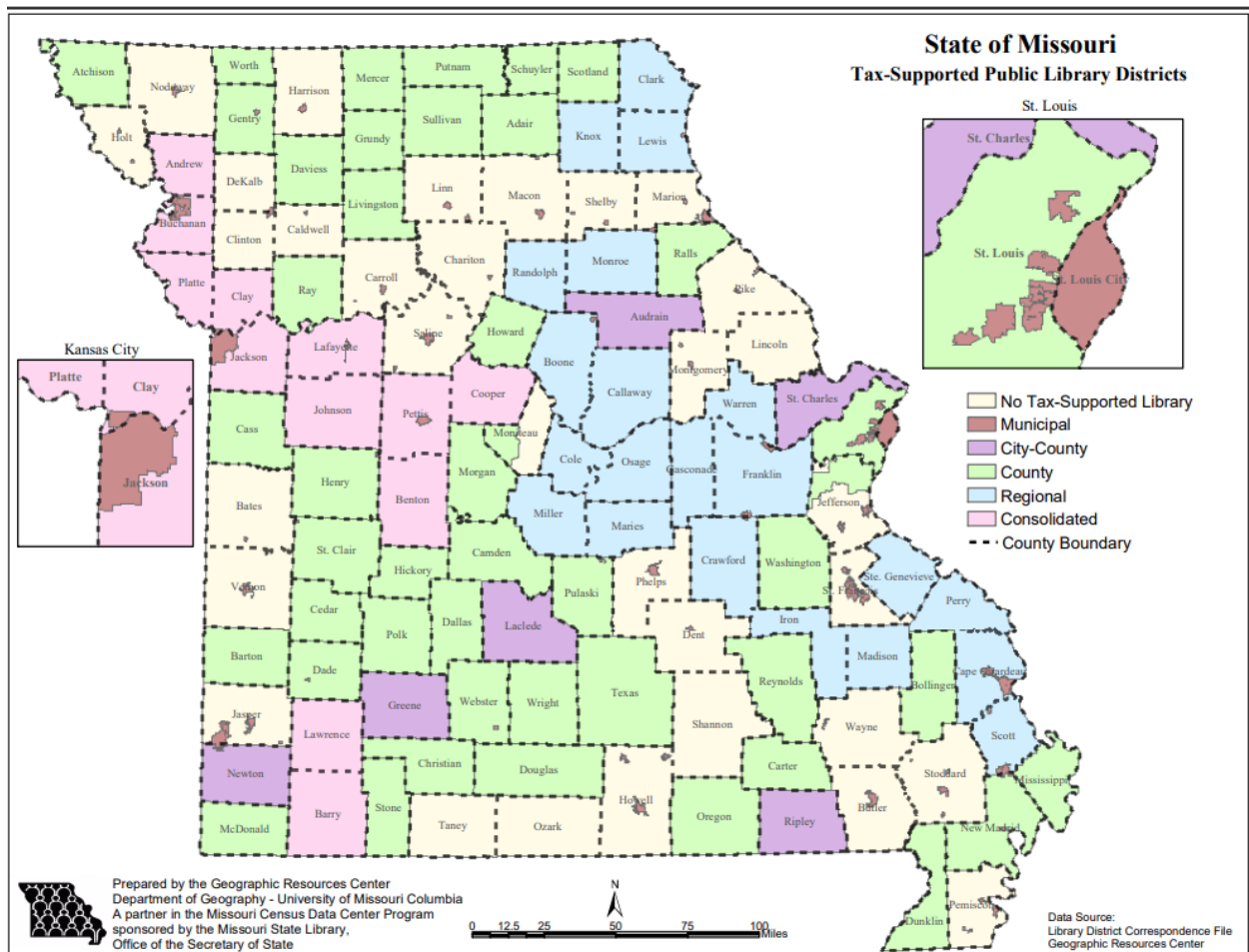
Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local election authorities and schools were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is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

§182.645 – Dates for the Fiscal Year of 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:



§190.327 – Sales Tax for Emergency Services

In response to a similar proposal from 2023 (CCS for HCS for SB 186), **DOR** stated this provision repeals language regarding the Jefferson County EMG District. Jefferson County EMG District has 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 section 190.335 which is what they are formed under. It appears that the language in this section doesn't really impact Jefferson County and being repealed would not have a fiscal impact. This provision will not fiscally impact DOR.

Oversight notes this section repeals the provision which provides that a sales tax for emergency services or for providing central dispatching for emergency services shall not be greater than one-quarter of one percent in Jefferson County. Therefore, Oversight will present a \$0 (no change in sales tax) to Unknown (increase in sales tax) impact for Jefferson County and a \$0 (no change in sales tax) to Unknown (increase

§190.460 - Prepaid Wireless Emergency Telephone Service Charge

Oversight assumes these changes will have no fiscal impact on state or local government.

§230.205 – Alternative County Highway Commissions

In response to a similar proposal from 2023 (HB 1193), officials from the **Missouri Department of Transportation** and the **Office of the Secretary of State** each assumed the proposal would 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.

§436.337 – Home Inspections

In response to a similar proposal from 2023 (HB 1145), officials from **St. Louis City (STL)** noted the Building Commissioner in STL estimates that 30-40% of Housing Conservation District inspections occur because of a residential property sale. Eliminating the requirement for these inspections could reduce Building Division revenue by up to \$800,000.

Oversight inquired with STL regarding their response. The STL states that their response falls under two municipal ordinances: 67914 regarding the City Housing Conservation Program and 69202 regarding revised legislation on the City Housing Conservation Program. According to ordinance 67914, Section 5C:

Upon determining that a dwelling unit has undergone a complete change of occupancy or a sale of the property as reflected in the Recorder of Deeds Office without first obtaining a Certificate

of Inspection, the Code Official shall serve notice on the owner of such dwelling unit, by either first class mail or personal service that a Certificate of Inspection must be obtained within thirty (30) calendar days of notification or unit will be condemned for occupancy and must be vacated.

Section 8 states:

- A. *Fees for a Certificate of Inspection prior to occupancy when the application for inspection is: 1. General inspection of exterior of building and all common areas and premises plus one dwelling unit is \$70.00. Each additional dwelling unit included in the General Inspection, if inspection is performed within the same building and on a common date is \$25.00 per each additional dwelling unit.*
- B. *The fee for a Certificate of Inspection per unit which is unlawfully occupied shall be as follows: 1. \$110.00 per unit.*

Oversight will reflect a \$0 or negative unknown for locals.

In response to a similar proposal from 2023 (HB 1145), officials from the **Attorney General's Office**, the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **City of Kansas City** and the **City of Springfield** 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities and counties were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

§442.404 - Provisions regarding the Ownership or Pasturing of Chickens

In response to a similar proposal from 2023 (SB 400), officials from the **Missouri Department of Agriculture**, the **Department of Economic Development**, the **Department of Labor and Industrial Relations**, **City of Jefferson**, **Kansas City** and the **City of Springfield** 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities and counties were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

§§475.040 & 475.275 – Pooled Estate Accounts

In response to a similar proposal from 2023 (SB 365), officials from the **Office of the State Courts Administrator** and the **Department of Social Services** 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, counties and county public administrators were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Oversight notes §475.275.2(2) of this proposal removes the requirements of a county of a certain population and opens the examination of accounts to all counties that are pooled for investing and management of estate funds to be examined on at least an annual basis. The proposal describes what will be examined and placed into a report which shall be paid by the county as outlined in §475.275.2(4). Oversight assumes counties could be impacted by this proposal, but is unclear by how much. Therefore, Oversight will reflect a \$0 to negative unknown fiscal impact to counties for this proposal.

§534.157 – Rental Properties Transfers of Titles

Oversight assumes this section will have no fiscal impact.

Sections 1 – 10 – Conveyances

Section 1 – property in Iron County to MoDOT

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration**, the **Attorney General’s Office** and the **Department of Natural Resources** each assumed the proposal would not fiscally impact their respective agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** and **Missouri Department of Transportation** each assumed the proposal would not fiscally impact their respective organizations.

Oversight notes this proposal conveys small parcels of land from the Department of Natural Resources (DNR) to the Missouri Department of Transportation (MoDOT) for \$1 or less. Oversight assumes the fiscal impact of these transactions between DNR and MoDOT are not material and, therefore, will not reflect a fiscal impact from these conveyances.

Section 2 – property in Christian County

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State's ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General's Office** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** and the **Department of Social Services** each assumed the proposal would not fiscally impact their respective organizations.

Oversight notes that the above mentioned agencies have stated this section of 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 these agencies for section 2.

Oversight notes this property may be associated with the Delmina Woods Youth Facility (DSS) which closed in May of 2019 and is approximately 88 acres according to a report from the Office of Administration. Oversight cannot tell the size of the parcel from the description in the proposal. However, as this parcel could be material in size, **Oversight** will reflect the transaction of the conveyance of state property in Christian County as 1) a loss of the value of the state property, 2) the proceeds (if any) of the sale/conveyance, and 3) the annual savings (if any) to the state no longer maintaining the property. Oversight will assume a net fiscal impact of less than \$250,000.

Section 3 – property in Pike County to MoDOT

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General's Office** and the **Department of Natural Resources** each assumed this section of the proposal would not fiscally impact their respective agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** and **Missouri Department of Transportation** each assumed the proposal would not fiscally impact their respective organizations.

Oversight notes this proposal conveys a parcel of property of land from the state to the Missouri Department of Transportation (MoDOT) for \$1 or less (for land containing 1 8/10 acres more or

less). Oversight assumes the fiscal impacts of this transaction to OA and MoDOT are not material and therefore we will not reflect a fiscal impact from this conveyance.

Section 4 – property in the City of Rolla, Phelps County

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this section of the proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State’s ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General’s Office** and the **Department of Natural Resources** each assumed this section of the proposal would not fiscally impact their respective agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** and **Missouri Department of Transportation** each assumed the proposal would not fiscally impact their respective organizations.

Oversight notes this property is a fractional part of Lot 119 of the Railroad Addition in Rolla, Missouri. Oversight is unable to determine the value of the property; therefore, Oversight will reflect the transaction of the conveyance of state property in Rolla as 1) a loss of the value of the state property, 2) the proceeds (if any) of the sale/conveyance, and 3) the annual savings (if any) to the state no longer maintaining the property. Oversight will assume a net fiscal impact of less than \$250,000.

Section 5 – property in the City of Kirksville to the Kirksville R-III school district

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State’s ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General’s Office** 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 these agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** 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 2022 (SCS for HCS for HB 1597), officials from the **Missouri National Guard (MONG)** assumed the proposal would not fiscally impact their organization.

Officials from the City of Kirksville did not respond to our request for fiscal impact.

As this parcel appears to be material in size, **Oversight** will reflect the transaction of the conveyance of state property in Adair County as 1) a loss of the value of the state property, 2) the proceeds (if any) of the sale/conveyance, and 3) the annual savings (if any) to the state no longer maintaining the property. Oversight will assume a fiscal impact of less than \$250,000.

Section 6 - property in the City of Kirksville

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State's ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General's Office** 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 these agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** 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.

Officials from Truman State University did not respond to **Oversight's** request for fiscal impact.

Section 7 – property in the City of St. Louis

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State's ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General's Office** 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 these agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** 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.

Oversight notes this proposal conveys an approximately 7,000 square foot piece of property in the City of St. Louis. Oversight assumes the fiscal impacts of this transaction to OA is not material and therefore we will not reflect a fiscal impact from this conveyance.

Section 8 – property in the City of Joplin to the Joplin school district

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State's ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General's Office** 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 these agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** 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.

Oversight notes the property being conveyed to the Joplin School District is approximately one acre; therefore, Oversight assumes any fiscal impact is not material.

Section 9 – property in the City of St. Louis

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State’s ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General’s Office** 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 these agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** 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.

Oversight notes these parcels of land could contain the Hopewell Center located in St. Louis City. The facility appears to be vacant and is not listed as a location on the center’s website. Oversight assumes the conveyance of this property will not result in a material fiscal impact.

Section 10 – property in the City of St. Louis

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of Administration (OA)** assumed the following regarding this proposal:

The Office of Administration, Division of Facilities Management, Design and Construction does not make public appraisal values for property that may be sold or conveyed because public knowledge of such information may hinder the State’s ability to gain the best value for the property. Additionally, since the terms of conveyances are yet to be determined, the fiscal impact, if any, cannot be calculated. Therefore, the fiscal impact is \$0 to unknown.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Attorney General’s Office** 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 these agencies.

In response to a similar proposal from 2023 (SCS for HCS for HB Nos. 802, 807 & 886), officials from the **Office of the Governor** 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.

Oversight notes the property being conveyed to the city of St. Louis appears to be a lot or lots located near the Wainwright State Office Building. The property appears to be less than one acre; therefore, Oversight will not reflect a fiscal impact.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
GENERAL REVENUE FUND			
<u>Revenue</u> – DOR - Potential 1% collection fee due to local sales tax increase (§190.327) p. 11	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Sale Proceeds</u> – conveyance proceeds of the properties (if any) (Sections 1-10) p. 13-19	\$0 or Unknown	\$0	\$0
<u>Property value</u> – loss of FMV of the properties (Sections 1-10) p. 13-19	(Unknown)	\$0	\$0
<u>Savings</u> – for annual maintenance/upkeep of properties (Sections 1-10) p. 13-19	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	Unknown or (Unknown)	\$0 or Unknown	\$0 or Unknown

<u>FISCAL IMPACT – State Government</u> (continued)	FY 2024 (10 Mo.)	FY 2025	FY 2026
TRUMAN STATE UNIVERSITY			
<u>Cost</u> - of acquiring the property from the state (Section 6) p. 17	\$0 or (Unknown)	\$0	\$0
<u>Property increase</u> – acquired property’s value (Section 6) p. 17	<u>Unknown</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO TRUMAN STATE UNIVERSITY	<u>Unknown</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> – Jefferson County Potential sales tax increase (§190.327) p. 11	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Revenue Reduction</u> - Reduction in real and personal property tax revenues in the event of a shutdown order (§44.251) p. 3-6	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Revenue Reduction</u> - Waiving of business license fees in the event of a shutdown order (§44.251) p. 3-6	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Loss</u> – Cities –Revenues from building inspection fees done on residential property for sale (§436.337) p. 11-12	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost</u> - of acquiring the property from the state (Sections 5 & 8) p. 16, 18	\$0 or (Unknown)	\$0	\$0
<u>Property increase</u> – acquired property’s value (Sections 5 & 8) p. 16, 18	Unknown	\$0	\$0

<u>FISCAL IMPACT – Local Government</u> <u>(continued)</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<u>Cost – Counties - of examination of accounts and preparation of reports done on estate funds (§§475.040 & 475.275) p. 13-14</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or</u> <u>(Unknown) to</u> <u>Unknown</u>	<u>\$0 or</u> <u>(Unknown) to</u> <u>Unknown</u>	<u>\$0 or</u> <u>(Unknown) to</u> <u>Unknown</u>

FISCAL IMPACT – Small Business

§44.251 - This proposal could impact small businesses that may be shut down by waiving and reimbursing business license fees.

§67.137 - Small business landlords could be positively impacted as a result of this proposal.

§436.337 - Small businesses who do home inspections on residential properties for sale could be impacted as a result of this proposal.

§§475.040 & 475.275 - Small CPA businesses may be impacted in a positive way as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions relating to political subdivisions.

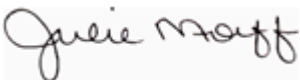
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

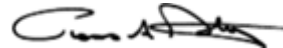
- Office of the State Courts Administrator
- Attorney General’s Office
- Department of Commerce and Insurance
- Office of the State Auditor
- Department of Economic Development
- Department of Elementary and Secondary Education
- Department of Health and Senior Services
- Department of Labor and Industrial Relations

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Department of Public Safety
Office of Administration
Missouri Department of Transportation
Office of the Secretary of State
City of Kansas City
City of Springfield
City of Jefferson
Office of Administration - Budget and Planning
State Tax Commission
Office of the Governor
Department of Social Services
Jackson County Assessor
City of Kansas City
Kansas City Police Department
Phelps County Sheriff's Department
City of Springfield
City of O'Fallon
St. Charles Community College
City of Claycomo
St. Louis County Police Department
Cole Camp Ambulance District
St. Joseph Police Department
St. Louis City
Cole County
Branson Police Department
City of Jefferson



Julie Morff
Director
May 10, 2023



Ross Strobe
Assistant Director
May 10, 2023