

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5663S.05C  
 Bill No.: SCS for HCS for HB 2797  
 Subject: Historic Preservation; Roads and Highways; Transportation; Department of Transportation; Veterans; Law Enforcement Officers and Agencies  
 Type: Original  
 Date: May 6, 2024

Bill Summary: This proposal enacts state designations.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
State Road*	(\$84,000) or Less than (\$334,000)	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$84,000) or Less than (\$334,000)</b>	<b>\$0</b>	<b>\$0</b>

\*The potential costs to the State Road Fund would only be realized if MoDOT is required to pay for the signs above and beyond the funds available in the Missouri Medal of Honor Fund.

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Missouri Department of Transportation (MoDOT)** state the bill is estimated to have a negative impact on the State Road Fund of \$4,000 for each of the 21 memorial designations funded by MoDOT, for a total of \$84,000 (\$4,000 x 21). This would be a one-time expense as the language requires MoDOT to fund these designations with no costs for sign fabrication and installation recouped through participation fees. The estimated cost is \$2,000 per sign, with 2 total signs for each designation.

The signs funded by private donation would have no impact to the State Road Fund.

MoDOT also states Section 227.855 would have no fiscal impact to the State Road Fund if the signs are funded through the Missouri Medal of Honor Recipients Fund. As of 2021, there were 99 Congressional Medal of Honor recipients in Missouri. The participation fee used for memorial designations is \$4,000 which covers two signs, one in each direction for a cost of \$396,000.

**Oversight** notes the Missouri Medal of Honor Recipients Fund (0401) had a balance of \$270,334 as of April 30, 2024.

**Oversight** notes  $99$  (number of recipients)  $\times$   $\$4,000$  (cost for signs) = **\$396,000**; however some recipients could be from the same town and appear on the same sign. Currently, there are not enough funds in the Missouri Medal of Honor Fund to cover these costs. The proposal does not determine what occurs when this happens; therefore, Oversight will reflect a \$0 (MoDOT waits for additional funds to be deposited into the Missouri Medal of Honor Fund) up to “Less than \$250,000” cost to the State Road Fund (if MoDOT is required to install the signs regardless of available funds.) Oversight will reflect the costs in FY 2025 only as we assume there will not be a significant number of recipients each year once the initial signs are installed. Oversight assumes there will be available funds at that point to cover the costs of the signs for new recipients.

Officials from the **Department of Natural Resources**, the **Office of Administration**, the **Department of Economic Development**, the **Missouri House of Representatives** and the **Missouri Senate** each assume the proposal will have no fiscal impact on their respective organizations for this proposal.

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,

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>STATE ROAD FUND (0320)</b>			
<u>Costs - MoDOT</u>			
Memorial Road Signs (21 x \$4,000)	(\$84,000)	\$0	\$0
<u>Cost – MoDOT – §227.855 - potential costs for signs for Missouri Medal of Honor recipients</u>	\$0 or (Less than \$250,000)	\$0	\$0
<b>ESTIMATED NET EFFECT ON THE STATE ROAD FUND</b>	<b>(\$84,000) or Less than (\$334,000)</b>	<b>\$0</b>	<b>\$0</b>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

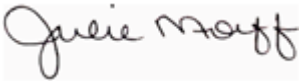
This act modifies provisions relating to state designations.

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

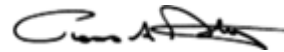
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SOURCES OF INFORMATION

Department of Natural Resources  
Office of Administration  
Missouri Senate  
Missouri House of Representatives  
Missouri Department of Transportation  
Department of Economic Development



Julie Morff  
Director  
May 6, 2024



Ross Strobe  
Assistant Director  
May 6, 2024