

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4163-03
BILL NO.: Perfected SCS for SB 954
SUBJECT: Cities, Towns and Villages; Counties; Economic Development Department;
 Tourism.
TYPE: Original
DATE: April 18, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	\$0 to (unknown)	\$0 to (unknown)	\$0 to (unknown)
Total Estimated Net Effect on <u>All</u> State Funds*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

* Subject to Appropriation, costs expected to exceed \$100,000 annually

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development (DED)** state this proposal would establish the “Cultural Tourism Development Program”, wherein the Department of Economic Development (Community Development, Division of Tourism and the Missouri Arts Council), the Department of Transportation, the Department of Natural Resources and the Secretary of State’s Office would collaborate to award grants and loans to qualifying projects, for the purpose of increasing, developing and enhancing visitor experiences in Missouri which are involved with artistic, heritage or historical offerings and are important to the state’s economy.

The DED assumes that this proposal would be implemented in their office. The DED also assumes that the grants and loan program would be established at up to \$2 million annually. The DED requests three (3) FTEs to administer this program; one (1) Community Development Program Specialist (at \$39,696 annually) to oversee the new program by developing guidelines, managing the program and supervising staff, one (1) Community Development Field Representative II (at \$34,992 annually) to assist in promoting this new program, and one (1) Clerk Typist II (at \$19,452 annually) to provide clerical support.

Officials from the **Department of Revenue (DOR)** state this proposal would create the Cultural Tourism Development Fund which provides a grant and loan program for cultural tourism. The DOR assume they would cashier certain funds, but expect no fiscal impact.

Officials from the **Office of Secretary of State (SOS)** assume there would be costs due to additional publishing duties related to the Department of Economic Development’s authority to promulgate rules, regulations, and forms. SOS estimates the department could require approximately 32 new pages of regulations in the Code of State Regulations at a cost of \$26.50 per page, and 48 new pages in the Missouri Register at a cost of \$22.50 per page. Costs due to this proposal are estimated to be \$1,928, the actual fiscal impact would be dependent upon the actual rule-making authority and may be more or less. Financial impact in subsequent fiscal years would depend entirely on the number, length, and frequency of the rules filed, amended, rescinded, or withdrawn. SOS does not anticipate the need for additional staff as a result of this proposal; however, the enactment of more than one similar proposal may, in the aggregate, necessitate additional staff.

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 request funding through the appropriation process.

Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.
ASSUMPTION (continued)

Officials from the **Department of Natural Resources (DNR)** assume their involvement as described in the proposed legislation would be providing input for the grant and loan program, developing criteria for technical assistance from the program and criteria for awards from the grant and loan program. It is assumed that this level of activity could be handled with existing resources.

The DNR goes on to state, however, that if the program requires a substantial increase in workload for the current staff of the Division of State Parks, Historic Preservation Program, the department may need to request additional staff.

Officials from the **State Treasurer's Office** assume this proposal will not fiscally impact their agency.

In response to a similar proposal from this session, officials from the **Department of Transportation** assumed this proposal would not fiscally impact their agency.

Oversight assumes additional rental space would not be required by the DED. Oversight also assumes that funding is subject to appropriation and the amount is unknown at this time.

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		
GENERAL REVENUE FUND			
<u>Loss - General Revenue Fund</u>	\$0 to	\$0 to	\$0 to
Appropriations of Grant/Loan funds	(unknown)	(unknown)	(unknown)
<u>Costs - Department of Economic Development</u>			
Personal Service (3 FTE)	\$0 to (\$80,393)	\$0 to (\$98,906)	\$0 to (\$101,379)
Fringe Benefits	\$0 to (\$24,720)	\$0 to (\$30,414)	\$0 to (\$31,174)
Expense and Equipment	\$0 to (\$49,699)	\$0 to (\$27,810)	\$0 to (\$28,644)
Total <u>Costs</u> - DED	\$0 to (\$154,812)	\$0 to (\$157,130)	\$0 to (\$161,197)

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<u>FISCAL IMPACT - State Government</u> (continued)	FY 2001 (10 Mo.)	FY 2002	FY 2003
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	\$0 to <u>(UNKNOWN)</u>	\$0 to <u>(UNKNOWN)</u>	\$0 to <u>(UNKNOWN)</u>
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-- SUBJECT TO APPROPRIATION--

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal creates the "Cultural Tourism Development Program" which is administered by the Department of Economic Development. The goal of this program is to increase tourism revenues and enhance appreciation of the variety of cultural experiences available in Missouri.

The Division of Tourism, Missouri Humanities Council, Missouri Arts Council, Department of Transportation, Department of Natural Resources, Secretary of State's office and other interested entities will work with the Department of Economic Development to administer a grant and loan program designed to assist interested groups and communities in the development of cultural tourism.

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

RAS:LR:OD:005 (9-94)

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SOURCES OF INFORMATION

Department of Revenue
Department of Economic Development
Office of the Secretary of State
Office of the State Treasurer
Department of Natural Resources
Missouri Highway and Transportation Department



Jeanne Jarrett, CPA
Director
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