

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4062-05  
Bill No.: Truly Agreed to and Finally Passed SCS for SB 1015  
Subject: Natural Resources Dept.; Parks and Recreation  
Type: #Corrected  
Date: May 7, 2002  
# To show correct fund name

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
State Parks	\$0	(\$68,000)	\$0
State Parks Imprest	\$0	\$68,000	\$0
State Park Earnings	(\$21,966)	\$0	\$0
Arrow Rock State Historic Site Endowment	\$21,966	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<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 LOCAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Office of Administration (OA)-Division of Accounting, OA-Division of Purchasing and Materials Management, the State Treasurer's Office, and the Department of Revenue** assume this bill would have no fiscal impact on their respective agencies.

Officials from the **Department of Natural Resources (DNR)** assume that the proposal would not require additional resources. They hope that longer contracts (which are allowed now with legislative concurrence) encourage concessionaires to offer additional services by allowing them more time to recoup investments. If concessionaires would finance capital improvements, the Department's capital improvement budget would decrease in the long term.

DNR officials also note that the increased cap on contributions to the Imprest Fund would add \$68,000 (\$1,000 per facility) to the Fund in the first year. DNR officials would request additional contributions from the State Parks Fund. In subsequent years the Department would only request enough funds to replenish that Fund to its cap.

The original Miller bequest would be transferred from the State Park Earnings Fund to the Arrow Rock State Historic Site Endowment Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>STATE PARKS FUND</b>			
<u>Cost</u> - Office of Administration			
Warrants to State Parks Imprest Fund	\$0	(\$68,000)	\$0
<b>ESTIMATED NET EFFECT ON STATE PARKS FUND</b>	<b><u>\$0</u></b>	<b><u>(\$68,000)</u></b>	<b><u>\$0</u></b>
<b>STATE PARKS IMPREST FUND</b>			
<u>Income</u> - State Parks Fund #			
	\$0	\$68,000	\$0
<b>ESTIMATED NET EFFECT ON STATE PARKS IMPREST FUND</b>	<b><u>\$0</u></b>	<b><u>\$68,000</u></b>	<b><u>\$0</u></b>

**STATE PARK EARNINGS FUND**

<u>Cost</u> - Transfer to Arrow Rock State Historic Site Endowment Fund	(\$21,966)	\$0	\$0
<b>ESTIMATED NET EFFECT ON STATE PARK EARNINGS FUND</b>	<b><u>(\$21,966)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**ARROW ROCK STATE HISTORIC SITE ENDOWMENT FUND**

<u>Income</u> - Transfer from State Park Earnings Fund	\$21,966	\$0	\$0
<b>ESTIMATED NET EFFECT ON ARROW ROCK STATE HISTORIC SITE ENDOWMENT FUND</b>	<b><u>\$21,966</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

FISCAL IMPACT - Small Business

Small businesses which are concessionaires at state parks could be affected by provisions of this proposal.

DESCRIPTION

Currently, state park concession contracts awarded for 10 or more years must be approved through a concurrent resolution by the General Assembly. This proposal would repeal this approval process and allow the Department of Natural Resources to award contracts for more than 10 years only if the director considers the extended contract period necessary for the contractor to make substantial capital and other improvements and that those improvements are of sufficient value to the state to make the longer contract term necessary.

It would increase the maximum amount that may be provided for the revolving fund at each state park from \$500 to \$1,500.

DESCRIPTION (continued)

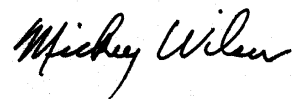
The proposal would establish a permanent endowment fund for interpretative programs at Arrow Rock State Historic Site. Initial funding would be provided from personal property bequeathed to the department by Bill and Cora Lee Miller. The Department could expend up to half of the interest earned by the fund annually until January 1, 2100, and could expend all of the interest earned annually thereafter.

Finally, the proposal would allow the Department to develop agreements with private not-for-profit organizations to enhance interpretative, education, and maintenance functions in state parks. Eligible organizations must have been formed solely to provide these services. Net proceeds from sales of publications and other items by the organizations would be used for services in their designated parks.

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

#### SOURCES OF INFORMATION

Office of Administration-Division of Accounting  
Office of Administration-Division of Purchasing and Materials Management  
Department of Revenue  
Department of Natural Resources



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Acting Director  
May 7, 2002