

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4404-06
Bill No.: HCS#2 for SCS for SB 778
Subject: Education, Higher; Boards, Commissions, Committees, Councils; General Assembly; Easements and Conveyances
Type: Original
Date: May 5, 2010

Bill Summary: Changes an expiration date on state universities being able to convey land and allows for the conveyance of state property.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 37.005

Officials at the **Department of Higher Education, Missouri Western State University, Missouri State University, Missouri Southern State University, Northwest Missouri State University** and the **University of Central Missouri** assume that there is no fiscal impact from this proposal.

In response to the previous version of this bill, **Lincoln University** assumed that there was no fiscal impact from changing the date in this proposal.

Officials at the **Harris-Stowe State University** failed to respond to **Oversight's** request for fiscal impact.

All Properties

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Lottery and Cape Girardeau Property

Officials at the **Office of Administration** assume no fiscal impact on OA- Facilities Management, Design and Construction. Their understanding is the City of Cape Girardeau is giving the state comparable property in exchange for the conveyance and a trade of easements is happening at the Lottery Headquarters.

Officials at the **Missouri Veterans Commission** assume that there is no fiscal impact from this proposal.

Officials at the Missouri Lottery, the City of Cape Girardeau, Cape Girardeau County and Cole County did not respond to **Oversight's** request for fiscal impact.

Maryville Airport Hanger Property

Officials at the **Office of Administration Facilities Management, Design and Construction** assume no fiscal impact on OA. FMDC estimates the land and hanger value at \$240,000.

Officials at the **City of Maryville** assume that the City would have to expend funds to fix up the dilapidated hanger to bring it up to code and make the necessary improvements. Overall, though it would not hurt the City but rather help in the long term provide the City with an additional

ASSUMPTION (continued)

revenue source at the airport.

Officials at the County of Nodaway did not respond to **Oversight's** request for fiscal impact.

Oversight assumes this conveyance will be handled just like all state conveyances and will not have an effect on the state.

Franklin County Property

Officials at the **Office of Administration Facilities Management, Design and Construction** assume no fiscal impact on OA. FMDC estimates the land value at \$250,000.

Officials at the Franklin County did not respond to **Oversight's** request for fiscal impact.

Oversight assumes this conveyance will be handled just like all state conveyances and will not have an effect on the state.

Mental Health Properties

Officials at the **Department of Mental Health** defers to the Office of Administration for its response.

Officials at the **St. Louis County** assume assume that there is no fiscal impact from this proposal.

Officials at the **City of Nevada** assume the impact to be neutral. The proposed purchase price and appraised value is unknown. However; a long term savings may be realized as any costs incurred to purchase or improve the property will offset the potentially greater costs associated with the purchase and development of an alternate location intended to meet the City's need for expanded municipal facilities. Additionally, the City may choose to partner with other public or private entities to improve the site. In that case these costs may be recaptured or additional savings gained by the City through a development or intergovernmental agreement.

Church Farm and Warden Residence at Boonville Correctional Center

Officials at the **Department of Corrections (DOC)** assume Missouri Vocational Enterprises (MVE) within the DOC's Division of Offender Rehabilitative Services (DORS) currently leases out the land in the Church Farm Bottoms. The Working Capital Revolving Fund would sustain a loss of revenue generated by this lease if the land was conveyed. The fiscal impact is Unknown. General Revenue is not fiscally impacted as it pertains to DOC.

ASSUMPTION (continued)

Mental Health Properties, Church Farm and Warden Residence at Boonville Correctional Center, Sunrise State School Property and the Nevada Rehabilitation Center Property

Officials at the **Office of Administration** assume the value of the properties is as follows:

Church Farm	\$1.5 million
Mental Health Center KC	\$50,000
New Ballwin Mental Health Group Home	\$150,000
Warden Residence	\$60,000
Franklin County property	\$400,000 - \$500,000
State School	Unknown
Bellefontaine Habilitation Center	Unknown

Officials at the **City of Marshfield** assume that there is no fiscal impact from this proposal.

Officials at the Cooper County, Jackson County, St. Francois County, Vernon County, Webster County, Boonville, Farmington, and Kansas City did not respond to **Oversight's** request for fiscal impact.

Oversight assumes that the State will handle these conveyances so they have no negative impact on the state.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

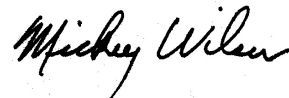
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

City of Marshfield
City of Maryville
City of Nevada
Department of Corrections
Department of Higher Education
Department of Mental Health
Missouri Western State University
Missouri State University
Lincoln University
University of Central Missouri
Missouri Southern State University
Northwest Missouri State University
Office of the Attorney General
St. Louis County
Missouri Veterans Commission

NOT RESPONDING

Harris- Stowe State University



Mickey Wilson, CPA
Director
May 5, 2010