

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1055-01
Bill No.: SB 196
Subject: Historic Preservation; Department of Natural Resources
Type: Original
Date: February 5, 2019

Bill Summary: This proposal authorizes the Missouri Department of Natural Resources to award grants to preserve, protect or restore historic county courthouses.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Historic Preservation Revolving Fund (0430)	\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Historic Preservation Revolving Fund	0 or .5 FTE	0 or .5 FTE	0 or .5 FTE
Total Estimated Net Effect on FTE	0 or .5 FTE	0 or .5 FTE	0 or .5 FTE

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Local Government*	\$0	\$0	\$0

*Income and costs net to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources (DNR)** assume the proposal will have no direct fiscal impact on their organization.

Upon further inquiry by **Oversight**, DNR noted the costs to administer the program in the Division of State Parks would be:

0.5 FTE Cultural Resource Planner II	\$20,942
Fringe Benefits	\$12,751
Travel	\$1,000
Supplies	<u>\$500</u>
Total	\$35,193

Oversight assumes DNR may be able to use existing resources to administer this program as they indicated in their assumption; however, DNR may also incur some expenses administering this program. Therefore, Oversight will range the administrative costs to DNR on the fiscal note from \$0 to the amounts shown above.

Oversight notes the fund balance in the Historic Preservation Revolving Fund (0430) has been:

June 30, 2016	\$1,842,766;
June 30, 2017	\$1,381,980;
June 30, 2018	\$1,695,579; and
January 31, 2019	\$1,490,359

Oversight assumes DNR may award grants to preserve, protect, or restore historic county courthouse from the Historic Preservation Revolving Fund; therefore Oversight will range the fiscal impact of this proposal from \$0 (DNR does not award grants) to the approximate balance of the Historic Preservation Revolving Fund assuming DNR could not award grants totaling more than the balance of the fund. Oversight will also reflect the fiscal impact to Counties as \$0 (does not receive grants from DNR) to that same amount.

Officials from the **Office of Administration - Budget and Planning (BAP)** assume this proposal will have no fiscal impact on their organization, no direct impact on General and Total State Revenues and will not impact the calculation pursuant to Article X Section 18(e).

Oversight notes that BAP has 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

ASSUMPTION (continued)

reflect a zero impact on the fiscal note for this agency.

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs.

However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

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 require additional resources.

Officials from the **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

FISCAL IMPACT - State Government	FY 2020 (10 Mo.)	FY 2021	FY 2022
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**HISTORIC PRESERVATION
 REVOLVING FUND**

Costs - DNR - administer program	\$0 or....	\$0 or.....	\$0 or.....
Personal Service (.5 FTE)	(\$20,942)	(\$20,942)	(\$20,942)
Fringe Benefits	(\$12,751)	(\$12,751)	(\$12,751)
Expense & Equipment	(\$1,500)	(\$1,500)	(\$1,500)
Total Costs - DNR	\$0 or (\$35,193)	\$0 or (\$35,193)	\$0 or (\$35,193)
FTE Change - DNR	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE

Cost - DNR - grants awarded to preserve, protect or restore historic county courthouses	\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)
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**ESTIMATED NET EFFECT ON THE
 HISTORIC PRESERVATION
 REVOLVING FUND**

\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)	\$0 or (Up to \$1,490,000)
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FISCAL IMPACT - Local Government	FY 2020 (10 Mo.)	FY 2021	FY 2022
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COUNTY GOVERNMENTS

Income - grants awarded from DNR	\$0 or Up to \$1,490,000	\$0 or Up to \$1,490,000	\$0 or Up to \$1,490,000
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<u>Cost</u> - costs associated with preserving historic county courthouses	<u>\$0 or (Up to \$1,490,000)</u>	<u>\$0 or (Up to \$1,490,000)</u>	<u>\$0 or (Up to \$1,490,000)</u>
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**ESTIMATED NET EFFECT ON
 COUNTY GOVERNMENTS**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act authorizes the Missouri Department of Natural Resources to award grants to preserve, protect, or restore historic county courthouses. The Department shall administer and act as the fiscal agent for the grant program and shall be responsible for receiving and reviewing grant applications and awarding grants.

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

Department of Natural Resources
Office of Administration - Budget and Planning
Office of the Secretary of State
Joint Committee on Administrative Rules



Kyle Rieman
Director
February 5, 2019

Ross Strobe
Assistant Director
February 5, 2019