COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 3830-01 <u>Bill No.</u>: SB 604

Subject: Eminent Domain and Condemnation; Energy; Utilities

<u>Type</u>: Original

Date: December 30, 2019

Bill Summary: This proposal modifies provisions relating to the power of eminent domain

for utility purposes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
Total Estimated Net Effect on FTE	0	0	0	

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 2021	FY 2022	FY 2023	
Local Government	\$0	\$0	\$0	

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FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources**, the **Department of Commerce and Insurance**, the **Attorney General's Office**, the **Office of Administration**, the **Department of Transportation** and the **Metropolitan St. Louis Sewer District** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other utilities were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

Oversight assumes this proposal could impact the Grain Belt Express project in northern Missouri. According to a report by the Public Service Commission (File No. EM-2019-0150), the Grain Belt Express Project line is "sited to traverse Buchanan, Clinton Caldwell, Carroll, Chariton, Randolph, Monroe and Ralls Counties, Missouri. The Grain Belt Express Project covers approximately 780 miles, and the project will primarily use a pole design which has a smaller footprint than traditional alternating current transmission lines. The structures will occupy ten acres for the entire state of Missouri." The Joint Application of Invenergy Transmission LLC, Invenergy Investment Company LLC, Grain Belt Express Clean Line LLC and Grain Belt Express Holding LLC for an Order Approving the Acquisition by Invenergy Transmission LLC of Grain Belt Express Clean Line LLC was approved by the PSC effective June 30, 2019.

Oversight notes that while there may be no direct impact to the state or local governments as a result of this proposal, modifying provisions relating to the power of eminent domain for utility purposes could have a large indirect impact on current and future utility projects.

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - State Government	FY 2021 (10 Mo.)	FY 2022	FY 2023

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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Local Government	FY 2021 (10 Mo.)	FY 2022	FY 2023

FISCAL IMPACT - Small Business

Small utility businesses and/or small businesses that are impacted by eminent domain could be impacted by this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct 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

Department of Natural Resources
Department of Commerce and Insurance
Attorney General's Office
Office of Administration
Department of Transportation
Metropolitan St. Louis Sewer District

Julie Morff Director

December 30, 2019

Ross Strope Assistant Director December 30, 2019