

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0469H.05C
Bill No.: HCS for SS for SCS for SB 27
Subject: Political Subdivisions; Elections; Public Officers; Counties; Health, Public;
Campaign Finance; Business and Commerce; Fire Protection; Utilities
Type: Original
Date: May 5, 2021

Bill Summary: This proposal changes laws regarding political subdivisions and public officials.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Officials from the Department of Corrections assume a potential fiscal impact complying with §192.027 (True COVID Liability Act).

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Federal Funds*	\$0 or Up to (\$141,820,000)	\$0 or Up to (\$141,820,000)	\$0 or Up to (\$141,820,000)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0 or Up to (\$141,820,000)	\$0 or Up to (\$141,820,000)	\$0 or Up to (\$141,820,000)

*This represents a potential loss of federal funding if Missouri is deemed out of federal compliance.... MoDOT (Up to \$71,820,000 for §67.405 (parking of unlicensed motor vehicles on private property)) and Department of Public Safety – Missouri Veterans’ Commission (Up to \$70,000,000 for §192.027 (True COVID Liability Act)).

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	0 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	0 FTE	2 FTE	2 FTE

- ☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Due to time constraints, **Oversight** was unable to receive some agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on information regarding a similar bill(s). Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

§§27.010, 51.050, 55.060, 58.030, 60.010, 77.230, 79.080, 105.035, 162.291, 190.050, 204.610, 247.060, 249.140, 321.130 & 483.010 – Duties and Qualifications of Certain Public Officers

In response to similar legislation from this year (SCS for HCS for HB 685), officials from the **City of Bland**, the **City of Hughesville**, the **Jackson County Board of Elections**, the **Kansas City Board of Elections**, **Boone County** and the **Nodaway County Ambulance District** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation from this year (SCS for HCS for HB 685), officials from the **City of Southwest City** and the **City of Tipton** each assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these sections.

§49.266 – County regulation of county property

In response to similar legislation from 2019, (SB 464), officials at **St. Louis County** and **Greene County** each assumed no fiscal impact to their respective entities from this proposal.

In response to similar legislation from 2018 (HB 1269), officials at **Boone County** assumed no fiscal impact from this proposal.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the aforementioned agencies.

§§49.310 & 476.083 – Rules pertaining to courthouses that contain a county office and a courtroom

In response to a previous version, officials from the **Office of the State Courts Administrator** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

In response to a previous version, officials from **Boone County** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight assumes this proposal is establishing rules for any courthouse that contains both a county office and a courtroom. Oversight assumes this proposal will not have a direct fiscal impact to the state or to county governments.

§50.166 – County Treasurer’s Access to Certain Documents

In response to a previous version, officials from **Jackson County** and the **Boone County Sheriff’s Department** each assumed the proposal will have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version, officials at **St. Louis County** and the **Lawrence County Treasurer’s Office** each assumed no fiscal impact to their respective agencies from this proposal.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§50.327 – Salary of County Coroners in second class counties

Oversight notes the provisions of this proposal apply to 2nd class county coroners. County officials did not respond to Oversight’s request for a statement of fiscal impact. Oversight assumes this proposal is permissive in nature and would have no local fiscal impact without action by the salary commission. Therefore, Oversight assumes the proposal will have no direct fiscal impact on counties. The compensation of county coroners listed in Section 58.095 are:

Assessed Valuation		Salary
\$18,000,000	to 40,999,999	\$8,000
41,000,000	to 53,999,999	8,500
54,000,000	to 65,999,999	9,000
66,000,000	to 85,999,999	9,500
86,000,000	to 99,999,999	10,000
100,000,000	to 130,999,999	11,000
131,000,000	to 159,999,999	12,000
160,000,000	to 189,999,999	13,000
190,000,000	to 249,999,999	14,000
250,000,000	to 299,999,999	15,000
300,000,000	or more	16,000

Oversight notes the counties of the second classification are Callaway, Lincoln, and Newton.

§50.530

Oversight assumes this section will have no direct fiscal impact on state or local governments.

§§50.815 and 50.820 – County Financial Statements

In response to similar legislation from 2020, HB 1814, officials at **Henry County** assumed a savings of \$1,800 annually in publication costs from this proposal.

Oversight inquired Henry County regarding this proposal. The County currently submits a 14 page document to the newspaper which lists out every dollar by vendor. Since this proposal requires a summary of data to be published in the newspaper, Henry County's publishing costs would be reduced as the number of pages would be reduced that would be submitted to the newspaper.

In response to similar legislation from 2020, HB 1814, officials at **Lincoln County** assumed a savings of \$2,000 annually in publication costs from this proposal.

In response to similar legislation from 2020, HB 1814, officials at **Livingston County** assumed a savings of \$2,500 annually in publication costs from this proposal.

Oversight assumes using the counties above as an example, if the average savings of the three counties publication costs is \$2,100 and 96 counties (2nd, 3rd and 4th class counties) in Missouri published their financials in the newspaper, the potential savings could be up to \$201,600 (\$2,100 * 96) per year. Therefore, Oversight will reflect a potential savings in publication costs for counties to post their financials through a newspaper of general circulation in their county that could exceed \$100,000 annually from this proposal.

In response to similar legislation from this year (HS for HCS for HB 441), officials from the **Office of the State Auditor** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§§59.021 & 59.100 – Bond requirements for county recorders of deeds

In response to a previous version, officials from **Jackson County** and the **Mississippi County Recorder of Deeds Office** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version, officials from the **Daviess County Recorder of Deeds Office** assumed no fiscal impact from this proposal. Daviess County's Recorder is already bonded for \$10,000.

§§59.310, 59.313 & 442.403 – Prohibited Covenants

In response to similar legislation from this year (HCS for HB 1274), officials from **Office of Administration - Budget and Planning (B&P)** stated these provisions deal with the duties of County Recorder of Deeds. Technical changes are made and direction is given regarding any certificate of release of prohibited covenants. These proposals:

- Have no direct impact on B&P.
- Have no direct impact on general or total state revenues.
- Will not impact the calculation pursuant to Art. X, Sec. 18(e).
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The provision prohibits a five dollar fee for releasing prohibited covenants. B&P defers to the local governments for the fiscal impact.

Oversight assumes these section will have no material direct fiscal impact on state or local governments.

§§64.805 & 64.870 – Compensation for those serving on a county planning commission or county board of zoning adjustment

In response to similar legislation from this year (HS for HCS for HB 441), officials from the **Office of Administration - Budget and Planning (B&P)** stated §64.805 addresses the attendance fee for county planning commission members by raising the fee from \$25/meeting to \$75/per meeting. Section 64.870 directs the county commissions to appoint a county board of zoning adjustment. The provision sets the terms of attendance fees for the county planning commission and board of zoning adjustment members who serve on both. The subsection is renumbered.

B&P defers to county commissions on the fiscal impact of the increased meeting fees for county planning commissions and boards of zoning adjustment.

Oversight notes the provisions of these sections apply to counties. County officials did not respond to Oversight's request for a statement of fiscal impact.

Oversight made several attempts to contact officials from Stone County for a request for fiscal impact but did not receive a response. Oversight will continue to contact the counties for a request and upon the receipt of their response, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Oversight assumes the proposal is permissive to counties regarding how they compensate their county planning commissioners and/or their county zoning commissioners.

§67.405 – Regulating certain uses of private property

Officials from the **Missouri Department of Transportation (MoDOT)** assumed this legislation could impact Missouri's control of junkyards under Section 136 Title 23 USC, 23 CFR Section 751, and Sections 226.650-226.720 RSMo causing MoDOT to be out of compliance with federal guidelines. Failure to provide effective control of junkyards could cause a 7% reduction of Federal-aid highway funds, which is estimated at \$71,820,000 annually.

2020 Federal Revenue = \$1,026,000,000

7% Penalty Reduction of Federal Aid Highway Funds Annually

$\$1,026,000,000 \times 7\% = \$71,820,000$ annually

In summary, MoDOT assumes a loss of up to \$71,820,000 in federal funds annually to provide for the implementation of the changes in this proposal.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the MoDOT, ranged from \$0 (no federal penalty imposed on Missouri), to MoDOT's estimate.

In response to similar legislation from this year (HB 511), officials from the **City of Kansas City** assumed the legislation would have a large impact on code enforcement in Kansas City. While the immediate impact may result in cost savings on enforcement, a hamstrung enforcement program could lead to various ancillary issues resulting in a negative fiscal impact to Kansas City (e.g. deteriorated property maintenance resulting in losses to property value).

In response to similar legislation from this year (HB 511), officials from the **City of Springfield** assumed a negative fiscal impact from this bill in an unknown amount based on a decline in surrounding property values due to some types of uses which would be undesirable to many potential residents, which would result in lower property tax revenues.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the cities of Kansas City and Springfield.

In response to similar legislation from this year (HB 511), officials from the **Missouri Department of Conservation** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

In response to similar legislation from this year (HB 511), officials from the **City of Ballwin**, the **City of O'Fallon**, **St. Louis City** and the **Daviess County Sheriff's Office** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§§67.1153 & 67.1158 – County Convention and Sports Facilities Authority

In response to similar legislation from 2018 (SB 1065), officials from the **St. Charles County Convention & Sports Facilities Authority** assumed no impact from this proposal. Currently, per contract, the St. Charles County Collector of Revenue collects and remits monthly to the Authority the 5% Sleeping Room tax. The Authority is responsible for all other handling of the tax.

In response to similar legislation from this year (HCS for HB 1094), officials from the **Department of Economic Development** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these sections.

§67.2680 – Provisions for satellites or streaming video services

Officials from the **City of Kansas City** assume this section precludes any new tax on satellite or streaming video service. This could result in a negative fiscal impact. **Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the City of Kansas City.

Oversight notes this amendment assumes the state or any other political subdivision shall not impose any new tax, license, or fee in addition to any tax, license, or fee already authorized on or before August 28, 2021, upon the provision of satellite or streaming video service. While these services may not be subject to new taxes, other broadband services are still subject to being taxed. Political subdivisions will not necessarily lose revenue but will forego possible future tax revenue.

§70.631 Public Safety Personnel

Officials from **Joint Committee on Public Employee Retirement (JCPER)** assume SB 255 (a bill with similar provisions) has no direct fiscal impact to the Joint Committee on Public Employee Retirement. The JCPER's review of SB 255 indicates it would not create a "substantial proposed change" in future plan benefits as defined in Section 105.660(10).

Current Status of the LAGERS as of February 29, 2020 (most recent actuarial valuation):

		Funded Ratio
Market Value of Assets:	\$8,137,172,285	94.3%
Actuarial Value of Assets:	\$8,083,990,980	93.7%
Liabilities:	\$8,630,842,143	
Annual Payroll of Active Members:	\$1,787,038,817	

In response to similar legislation from this year (SB 255), officials from **Local Government Employees Retirement System (LAGERS)** assumed this proposal could impact any LAGERS-participating political subdivision in Lincoln, Callaway, and Newton County, including cities, ambulance districts, and other emergency services. This includes but is not limited to Lincoln County Ambulance, Lincoln County Emergency Services, and Callaway County Ambulance.

LAGERS assumes SB 255 extends the option already provided for under RSMo 70.631 to employers residing in counties of the 2nd classification. LAGERS also assumes that all necessary programming was implemented following the passage of the original provision in SB 17 (2019), and that there would be no additional fiscal impact for programming.

LAGERS assumes no other fiscal impact.

Any impact to an employer's contribution under the option provided for in RSMo 70.631 would be borne by the electing political subdivision. The fiscal impact of electing this provision cannot be known until the date in time in which an employer makes the election. Any time an employer makes a change in benefit election in LAGERS, an actuarial cost analysis is completed at that time and posted for a 45-day public notice prior to adoption pursuant to RSMo 105.675.

Oversight notes the minimum retirement age for general employees is 60 years of age. Oversight assumes the minimum retirement age is 55 years of age for certain employees defined as public safety personnel. Oversight assumes there could be an increase in employer contributions for local political subdivisions (for counties of the second classification) for employees they elect to cover under the retirement system as public safety personnel who retire at the age of 55 instead of 60.

Oversight notes each individual employer electing to add certain employees as public safety personnel would have an actuarial cost statement done to determine if the change would require an increase in their employers' contribution rate.

Oversight notes the limitation on increases in employer contribution rates does not apply to any contribution increase resulting from this proposal.

Oversight will show a range of \$0 (no local political subdivisions elect to cover additional employees as public safety personnel) to an unknown cost to local political subdivisions if an increase in employer contributions was needed. Oversight assumes this proposal is discretionary and would have no local fiscal impact without action by the governing body.

Oversight received a limited number of responses from eligible retirement systems related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

§77.680 – Appointing a member of a board or commission

Oversight assumes no fiscal impact from this proposal.

§91.025

In response to a similar proposal from 2020 (HB 2028), officials from the **Office of Administration**, the **Department of Transportation**, the **Missouri Department of Conservation** and the **City of Kansas City** 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 organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this section.

§105.030 – Vacancies in county offices

Oversight assumes no fiscal impact from this proposal.

§§115.044 & 115.075 – Conduct of Elections

Oversight assumes no fiscal impact from this proposal.

§115.127 – Filing deadlines for certain candidates

In response to a previous version, officials from the **Kansas City Election Board** and **Platte County Board of Elections** each assumed the proposal will have no fiscal impact on their organizations.

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

§115.1070 – Vote tabulating software requirements

In response to similar legislation from this year (HCS for HB 472), officials from the **Kansas City Election Board** assumed the proposal will have no fiscal impact on their organization.

In response to similar legislation from this year (HCS for HB 472), officials from the **Platte County Board of Elections** assumed the proposal will have no fiscal impact on their organization.

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 for this section.

§§130.011, 130.021, 130.031, 130.036 & 130.041

In response to similar legislation from this year (HCS for HB 104), officials from the **Missouri Ethics Commission** assumed the proposal will have no fiscal impact on their organization.

Oversight notes that the above mentioned agency 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 reflect a zero impact on the fiscal note for these sections.

§140.981 – Authorizes the City of Springfield to create a land bank

In response to similar legislation from this year (Perfected HB 563), officials from the **Department of Economic Development** and the **Missouri Department of Transportation** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation from this year (Perfected HB 563), officials from the **City of Springfield** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight assumes §140.981.1 states that “A city may establish a land bank agency by ordinance, resolution, or rule, as applicable.” Oversight notes this proposal is permissive and action must be taken by the governing body of Springfield; therefore Oversight assumes no fiscal impact from this section.

§192.027 – Relating to infection diseases

Officials from the **Department of Corrections (DOC)** assume this legislation prohibits the state from mandating certain actions due to a contagious disease. It specifically prohibits the state, as a

response to a contagious disease, from quarantining or isolating an individual if a contagious disease is not positively identified in an individual. In addition, the state cannot limit the use of or lawful activities in any premise under the circumstances in which extraordinary prevalence of a contagious disease has not been proven. While the term contagious disease is defined, there are a number of airborne respiratory illnesses, i.e. tuberculosis, measles, mumps, etc. It is critical that the department have the ability to isolate an offender when he is exhibiting symptoms, before a positive test is received. The potential impact to the DOC from Section 192.027 is related to infectious disease control/management within correctional institutions. If this legislation were to prevent the department from quarantining or isolating offenders exposed to an infectious respiratory disease (tuberculosis, measles, mumps, etc.) or limiting the otherwise lawful activities of such offenders where there is no extraordinary prevalence of such disease, this could impact the department's ability to respond to/prevent large-scale infectious disease outbreaks within their facilities. DOC is not certain the language in this Section restricts their ability to respond in those circumstances, but if it does, there could be an impact. Therefore, the department will assume an unknown impact to this legislation.

Officials from the **Missouri Veterans Commission (MVC)** assume this proposal would put MVC in violation of VA regulations regarding infection control and therefore could jeopardize their federal funding. Additionally, compliance with this provision of the bill would jeopardize the licenses of their medical staff (CNAs, nurses, physicians, etc.) if they were not allowed to quarantine a resident of their veterans homes who was demonstrating signs and symptoms of a contagious disease, but yet had not tested positive of it. Finally, although the proposed section contains a liability protection clause, this restraint on the use of quarantining residents suspected of having a contagious disease would put them in violation of the collective bargaining agreement that we have in place with their direct care staff which requires them to adhere to all CDC published guidance and thus we would anticipate litigation on that issue. Therefore, compliance with the proposed section 192.027, RSMo, in this bill can reasonably be expected to lead to litigation despite its liability protections and MVC defers to the AGO as to any costs to the state in litigation expenses. MVC anticipates a possible fiscal impact of more than \$70 million annually if VA funding for its Home is revoked due to failure to comply with infection control protocols.

In response to similar legislation from this year (Perfect HCS for HB 1358), officials from the **City of Springfield (Springfield)** anticipated a negative fiscal impact of an unknown amount from this bill due to the inability to use effective mitigation strategies to stop the spread of communicable diseases which may increase the cost of contact tracing and fighting diseases. It is impossible to estimate the amount of negative fiscal impact because it is unknown how many additional cases of communicable disease might result from this bill.

In response to similar legislation from this year (Perfect HCS for HB 1358), officials from the **Columbia/Boone County Department of Public Health and Human Services (PHHS)** stated there will be an unknown cost due to an increase in COVID-19 cases and other communicable diseases requiring disease investigation and contact tracing. It is impossible to estimate how many additional COVID-19 cases and other communicable disease cases there will be as a result of not quarantining close contacts or taking appropriate actions to prevent the spread of illness in various properties.

In response to similar legislation from this year (Perfect HCS for HB 1358), officials from the **City of Kansas City Health Department** assumed the proposal would have an indeterminate fiscal impact.

In response to similar legislation from this year (Perfect HCS for HB 1358), officials from the **St. Louis County Health Department** anticipated this proposal would result in an unknown increase in costs if the department's ability to implement effective mitigation strategies to stop the spread of communicable diseases is restricted. It is anticipated there would be an increase in costs for contact tracers and case investigators. It is impossible to estimate what the negative fiscal impact would be as a result of this bill.

Oversight notes it is currently the responsibility of local public health agencies (LPHAs) to conduct disease investigation and contact tracing regardless of whether a statewide emergency has been proclaimed by the governor. It is assumed any potential costs that may be incurred as a result of this proposal are indirect costs. Therefore, Oversight will present no fiscal impact for provisions of this proposal that relate to communicable diseases and potential impacts incurred by local governments and public health departments.

In response to similar legislation from this year (Perfect HCS for HB 1358), officials from the **Department of Social Services**, the **City of Corder** and the **Newton County Health Department** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation from this year (Perfect HCS for HB 1358), officials from the **Attorney General's Office**, the **Missouri Office of Prosecution Services**, the **Office of the State Courts Administrator**, the **City of Kansas City**, the **City of O'Fallon** and the **City of St. Louis** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§196.298 – Cottage food producers to sell food over the internet

In response to similar legislation from this year (Perfect HCS for HB 357), officials from the **Kansas City Health Department (KCHD)** stated this proposal will have a fiscal impact. However, **Oversight** notes the KCHD did not provide any additional information regarding the potential fiscal impact. Therefore, Oversight assumes the fiscal impact will be minimal and can be absorbed by the KCHD with existing personnel and resources.

In response to similar legislation from this year (Perfect HCS for HB 357), officials from the **Columbia/Boone County Department of Public Health and Human Services** and the **Newton County Health Department** each assumed the proposal will have no fiscal impact on their

respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§221.105 – Reimbursement to Counties from the Department of Corrections

In response to a previous version, officials from the **Department of Corrections (DOC)** assumed the proposal will have no fiscal impact on their organization.

Oversight notes according to a hearing from September of 2019, DOC testified that the state owes approximately \$40 million to counties. It is estimated to reach \$45 million in FY 2020.

There is a 9-month lag in payments by DOC to counties which is paid on a first-come, first-serve basis. This is a funding delay not a processing delay. Funding is made on a quarterly basis. The current reimbursement rate is \$22.58/day. County billing requests are detailed by prisoner name and the number of days held. DOC audits that information and makes payment to the county.

Oversight does not have any information to the contrary. Oversight assumes by deleting the language in this section, there will not be an impact. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§230.205 – Establishment of Alternative County Highway Commissions

Upon review of legislation from a prior year (HB 1403, 2020), **Oversight** inquired of the **Missouri Association of Counties (MAC)** as to how many alternative county highway commissions are currently being utilized. MAC stated they are unaware of any being utilized or of any that have been utilized in the past several years. Oversight assumes no fiscal impact from these changes.

§386.800 & 394.020 – Service Territories of Retail Electric Service Providers

In response to similar legislation from this year (HCS for SS for SB 44), officials from the **City of Springfield** stated that the city anticipates a negative fiscal impact due to impact on City Utility (CU) (a utility company owned by the City of Springfield) service territory; however, it is not possible to estimate the amount.

The City states that under current law, if the city annexes an area being served by a rural electric cooperative, then CU would have the exclusive right to serve all new structures constructed in the newly annexed area. Under the proposed bill, CU would not have the exclusive right to serve those new structures in the annexed area, but which utility provides service would be determined by the Missouri Public Service Commission or the impacted owner of the structure. Therefore, there could be a negative impact on CU's service area, but it is not possible to determine the amount because it is unknown how many services in areas which CU currently has exclusive rights to serve would be provided by a rural electric cooperative instead.

Oversight assumes this legislation could affect all local political subdivisions that own a city utility company. Since it is unknown how many (if any) annexed areas will choose to continue service with a rural electric cooperative instead of using a City Utility or the PSC determines the new structure should be serviced by another utility company other than a City Utility, Oversight will reflect the fiscal impact to Local Political Subdivisions as \$0 or (Unknown).

In response to similar legislation from this year (HCS for SS for SB 44), officials from **Kansas City**, the **City of O’Fallon**, the **City of Puxico**, the **St. Louis Budget Division**, the **City of Sugar Creek** and the **City of Tipton**, the **Clarence Water/Wastewater District**, the **High Point Elementary School District**, the **Howard County C-Pwsd**, the **Lexington Water/Wastewater District**, the **Little Blue Valley Sewer District**, the **Puxico Water/Wastewater District**, the **Schell City Water Department**, the **Tipton Water/Wastewater District** and the **Wayne County Pwsd** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§393.106 & 394.315 – replacement of demolished structure

Oversight assumes this change would not create a material fiscal impact to the state or local political subdivisions.

§447.541 – Unclaimed property

Officials from the **Office of the State Treasurer (STO)** state they find no fiscal impact for these changes. However, allowing the State Treasurer to advertise unclaimed property in other ways will allow the STO to notify more constituents of their unclaimed property.

Oversight notes that the STO 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 reflect a zero impact on the fiscal note for this provision.

§451.040 – Applying for a marriage license electronically

In response to a previous version, officials at **Jackson County** assumed a positive fiscal impact from this proposal. Staffing costs could be lowered.

In response to a previous version, officials from the **Mississippi County Recorder of Deeds Office** and the **Daviess County Recorder of Deeds Office** each assumed no fiscal impact to their respective entities from this proposal.

Oversight notes the legislation does not specifically address if a form will need to be created by the County Recorder of Deeds Office or if software may need to be purchased. Oversight assumes this proposal is permissive and action would only be taken by the County Recorder of Deeds Office if they have budgeted funds for this purpose and if it would benefit their county.

Therefore, Oversight will reflect a \$0 fiscal note assuming any costs involved would be absorbed by the County Recorder of Deeds Office.

§475.120 – Powers and duties of a guardian of an incapacitated person

In response to similar legislation from this year (HCS for HB 978), officials from the **Office of the State Courts Administrator** and the **Department of Social Services** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§§478.240, 483.240, 483.241 & 483.245 - Circuit Clerks, Deputy Circuit Clerks, and Division Clerks

In response to similar legislation from this year (SB 366), officials from the **Office of the State Courts Administrator (OSCA)** stated there may be some impact but there is no way to quantify that currently. The proposal could result in redundancies and inefficiencies in court operations that could result in additional costs. Any significant changes will be reflected in future budget requests.

Oversight will reflect a zero direct material fiscal impact in the fiscal note for OSCA.

In response to similar legislation from this year (SB 366), officials from the cities of **Bland, Kansas City, Kirbyville, O'Fallon, Southwest City, Springfield** and **Tipton** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation from this year (SB 366), officials from the **City of Corder** and **Boone County** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§478.600 – Treatment Court Commissioner in the 11th Judicial Circuit

In response to a similar proposal (HB 878), officials from the **Office of the State Courts Administrator** assumed no fiscal impact from this section.

Responses regarding the proposed legislation as a whole

Officials from the **Department of Commerce and Insurance**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Labor and Industrial**

Relations, the Department of Revenue, the Department of Public Safety's Office of the Director, Fire Safety, Missouri National Guard, Missouri Highway Patrol, State Emergency Management Agency, the Missouri Department of Agriculture, the MoDOT & Patrol Employees' Retirement System, the Office of the State Public Defender, the Petroleum Storage Tank Insurance Fund, the City of Claycomo, the St. Louis City Board of Elections, the St. Louis County Board of Elections, the Corder Water/Wastewater Department, the Hancock Street Light District, the Metropolitan St. Louis Sewer District, the South River Drainage District, the Office of the Governor, the Office of the Lieutenant Governor, the Office of the State Treasurer, the Joint Committee On Education, the Legislative Research, the Oversight Division, the Missouri Senate, the Missouri Lottery, the Missouri Consolidated Health Care Plan, the Missouri Higher Education Loan Authority and the State Tax Commission each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State** notes many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office 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 Secretary of State's office for Administrative Rules is less than \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, they also recognize 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 their office can sustain within their core budget. Therefore, they reserve 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 request funding through the appropriation process.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, local election authorities, counties, county recorders, fire protection districts, ambulance districts, school districts, utilities and sheriff departments 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.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE			
<u>Cost – DOC – (\$192.027) potential restrictions to quarantining p.11-12</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
FEDERAL FUNDS			
<u>Loss – MoDOT – out of compliance with federal guidelines relating to private property (\$67.405) p.7</u>	\$0 or Up to (\$71,820,000)	\$0 or Up to (\$71,820,000)	\$0 or Up to (\$71,820,000)
<u>Loss – MVC – (\$192.027) potential violation of VA regulations p.11</u>	\$0 or Up to (\$70,000,000)	\$0 or Up to (\$70,000,000)	\$0 or Up to (\$70,000,000)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0 or Up to (\$141,820,000)</u>	<u>\$0 or Up to (\$141,820,000)</u>	<u>\$0 or Up to (\$141,820,000)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
LOCAL POLITICAL SUBDIVISIONS			
Savings – publishing costs §50.815 & §50.820 p. 5	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Potential forgone revenue</u> – sales tax collected on broadband improvement districts (§67.2680) p.8	\$0	\$0 or (Unknown)	\$0 or (Unknown)
<u>Loss</u> – loss of exclusive right to service new structures (§§386.800 & 394.020) p. 14	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Loss</u> – potential loss in property tax values which would decrease tax revenues (§67.405) p.7	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost</u> - increase in employer contribution rates for employers who elect to cover certain positions as public safety personnel - §70.631 p. 8	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>

FISCAL IMPACT – Small Business

Several small business types could be impacted by this proposal.

FISCAL DESCRIPTION

§67.405 – Regulating certain uses of private property

The proposed legislation prohibits the state and any political subdivision from regulating certain uses of private property.

§67.2680 - TAXES, LICENSES, AND FEES ON CERTAIN SERVICES

Under the act, the state or any other political subdivision shall not impose any new tax, license, or fee in addition to any tax, license, or fee already authorized on or before August 28, 2021, upon the provision of satellite or streaming video service.

§70.631 Public Safety Personnel

Currently, political subdivisions located in third class counties and Cape Girardeau County may, by majority vote of the governing body, elect to cover certain employee classes as public safety personnel members in the Local Government Employees' Retirement System (LAGERS). This act allows political subdivisions located in counties of the second classification to also cover such employee classes.

§192.027

The bill creates the "True COVID Liability Act" and contains many declarative statements regarding epidemiology, public policy relating to contagious diseases including COVID-19, susceptibility to contagious diseases, personal accountability, legal liability and government-mandated responses as outlined. The bill prohibits the state or any political subdivision thereof as a response to a contagious disease from quarantining an individual in any way or limiting the use of otherwise lawful activities in any private property or premises in which extraordinary prevalence of a contagious disease has not been proven. No individual, owner, or entity shall be subject to criminal or civil liability in any action alleging exposure to a contagious disease on premises controlled by such person unless they knowingly and purposely with malice, exposed an individual to a contagious disease where such exposure caused the exposed individual to suffer from a clinical disease.

This proposal contains an emergency clause.

§386.800 & 394.020 – Service Territories of Retail Electric Service Providers

This proposal modifies provisions relating to utilities.

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

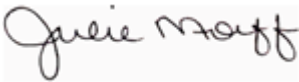
SOURCES OF INFORMATION

Department of Commerce and Insurance
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety
 Office of the Director
 Fire Safety
 Missouri National Guard
 Missouri Highway Patrol
 State Emergency Management Agency
Missouri Department of Agriculture
MoDOT & Patrol Employees' Retirement System
Office of the State Public Defender
Petroleum Storage Tank Insurance Fund
City of Claycomo
St. Louis City Board of Elections
St. Louis County Board of Elections
Corder Water/Wastewater Department
Hancock Street Light District
Metropolitan St. Louis Sewer District
South River Drainage District
Office of the Governor
Office of the Lieutenant Governor
Office of the State Treasurer
Joint Committee on Education
Joint Committee on Public Employee Retirement
Legislative Research
Oversight Division
Missouri Senate
Missouri Lottery
Missouri Consolidated Health Care Plan
Missouri Higher Education Loan Authority
State Tax Commission
Joint Committee on Administrative Rules
Office of the Secretary of State
Mississippi County Recorder of Deeds Office
Daviess County Recorder of Deeds Office
Office of Administration

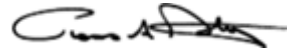
Jackson County
Boone County
Boone County Sheriff's Department
St. Louis County
Lawrence County Treasurer's Office
City of St. Louis
Department of Corrections
Office of the State Courts Administrator
Kansas City Election Board
Platte County Election Board
City of Bland
City of Hughesville
Jackson County Board of Elections
Nodaway Ambulance District
Southwest City
City of Tipton
Greene County
Henry County
Lincoln County
Livingston County
Office of the State Auditor
Office of Administration - Budget and Planning
Missouri Department of Transportation
Kansas City
City of Springfield
Missouri Department of Conservation
City of Ballwin
City of O'Fallon
St. Charles County Convention & Sports Facilities Authority
Department of Economic Development
Local Government Employee Retirement Systems
Missouri Ethics Commission
Columbia/Boone County Department of Public Health & Human Services
City of Kansas City Health Department
St. Louis County Health Department
Department of Social Services
City of Corder
Newton County Health Department
Attorney General's Office
Missouri Office of Prosecution Services
City of Puxico
City of Sugar Creek
Clarence Water/Wastewater District
High Point Elementary School District

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May 5, 2021

Howard County C-PWSD
Lexington Water/Wastewater District
Little Blue Valley Sewer District
Puxico Water/Wastewater District
Schell City Water Department
Tipton Water/Wastewater District
Wayne County PWSD
City of Kirbyville



Julie Morff
Director
May 5, 2021



Ross Strobe
Assistant Director
May 5, 2021