

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4254H.10C
 Bill No.: HCS for SS for SCS for SB 890
 Subject: Boards, Commissions, Committees, and Councils; Department of Economic Development; Department of Public Safety; State Departments
 Type: Original
 Date: April 24, 2026

Bill Summary: This proposal requires state departments to report on obsolete administrative entities, repeals certain administrative entities, and repeals and reassigns duties for certain other administrative entities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	(\$270,801)	(\$294,062)	(\$299,290)
Total Estimated Net Effect on General Revenue	(\$270,801)	(\$294,062)	(\$299,290)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue (DED)	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 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 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§23.295, 160.575, 178.550, 178.585, 186.019 – State Department Provisions

In response to similar legislation, HB 1628 (2026), officials from the **University of Missouri, Missouri State University, Northwest Missouri State University, and University of Central Missouri** each assumed 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.

In response to similar legislation, HB 1628 (2026), officials from **High Point R-III** assumed that the proposed legislation would have a fiscal impact but did not provide any additional information.

Oversight is unable to determine any direct fiscal impact to the **High Point R-III**; therefore, Oversight will not reflect a fiscal impact to the organization in the fiscal note.

§§143.1014 - 376.620– State Department Provisions

Officials from the **Office of Administration - Budget and Planning (B&P)** assumed the following:

Repeals Section 143.1014 which establishes the Puppy Protection Fund and authorizes individuals or corporations to donate a portion of their tax refunds to the fund. Loss of these revenues may impact total state revenues. B&P defers to the Department of Agriculture for specific impacts.

Repeals Section 197.165 eliminates the Infection Control Advisory Panel and the Infection Control Advisory Panel Fund which consists of private donations to the panel to support its operations. B&P defers to Department of Health and Senior Services on any potential fiscal impact.

Repeals Section 210.102 which establishes the Coordinating Board for Early Childhood Fund which consisted of grant funding, fees, and any other interest and deposits which can no longer be collected. Loss of these revenues may impact total state revenues. B&P defers to the Department of Elementary and Secondary Education for specific impacts.

Section 313.660 establishes a class D felony regarding horse race wagering and would be repealed in this language. Loss of any penalties and fines associated with these charges may result in a loss of total state revenues.

Repeals Section 376.260 which authorizes a fee collected by the Department of Revenue for issuance of certificates of deposit. Loss of these revenues may impact total state revenues. B&P defers to the Department of Revenue for specific impacts.

As noted by Office of Administration - Budget and Planning, this proposal could impact total state revenues. The above-mentioned agencies have stated the proposal will have no fiscal impact. **Oversight** assumes any savings and/or loss will be minimal and will not reflect a fiscal impact for these sections of the proposal.

§196.1106 – Centers for Excellence for Life Sciences Research

Officials from the **Department of Economic Development (DED)** assume their agency will now be responsible for monitoring the operation of the centers for excellence for life sciences research for quality and accountability. There are 4 centers: 1 in St. Louis, 1 in Kansas City, 1 in Springfield, and 1 statewide. All centers must be approved by DED.

DED recommends 2.0 FTE to administer the program.

DED states 2.0 FTE request is necessary because this legislation dissolves the existing unpaid Life Sciences Research Board and shifts its portfolio of administrative and oversight responsibilities directly to the Department of Economic Development (DED). Some of the activities that the DED would be responsible for include:

- **Financial and Grant Management:** The DED will now be directly responsible for receiving, retaining, holding, and disbursing all moneys from the life sciences research trust fund.
- **Scientific Peer Review:** The DED is tasked with making provisions for the peer review panels that recommend and evaluate proposed research projects.
- **Oversight and Approval of Centers:** The DED must actively receive, review, and approve the organizational plans and structures of the state's four centers for excellence, as well as monitor their ongoing operations for quality and accountability.
- **Auditing and Reporting:** The DED must secure an annual financial audit of the trust fund and prepare a comprehensive report every three years assessing the progress and impact of the life sciences research program.

Because the volunteer board will no longer exist to perform these duties, the revised statute authorizes the DED to employ administrative staff, making the 2 FTEs essential to successfully absorb and execute the operational expansion.

Oversight assumes Section 196.1106 removes the statutory authority for the Life Sciences Research Board to monitor the operation of the centers for excellence for life science research and instead vest that authority in the Department of Economic Development. Therefore, Oversight will reflect the estimated cost as provided by DED to the General Revenue Fund.

Oversight notes the Life Science Research Trust Fund has an ending balance of \$53,000 as of January, 2026.

§217.555 – Repeal of the Missouri Vocational Enterprises Advisory Board

Officials from the **Department of Corrections (DOC)** assume the removal of section 217.555 removes the Missouri Vocational Enterprises advisory board, which eliminates procedural delays while maintaining multiple layers of oversight through director authority, state audits, and legislative review.

Currently, there are only 2 seats (out of 10) filled on this board and there have been 2 meetings in the last year and a half. The statute does say members shall receive compensation at the rate of \$100 plus all actual and necessary expenses for each day they are engaged in the discharge of their official duties. DOC assumes any savings from this would be immaterial.

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

§313.660 – Repeal of Off-Track Pari-Mutuel Wagering on Horse Racing

Officials from the **Missouri Gaming Commission (MGC)** stated this legislation proposes the repeal of Section 313.660, which prohibits wagers outside the enclosure of a state-licensed racetrack.

The Interstate Horse Racing Act of 1978 set the framework for the acceptance of interstate off-track wagers. Namely, off-track wagers may be accepted only if consent is obtained from 1) the host racing association (i.e., the track where the races are held), 2) the host racing commission (the racing commission that regulates the track where the races are held), and 3) the off-track racing commission (the racing commission of the state where interstate off-track wagering will take place). Although Missouri has a statutory and regulatory framework for a horse racing commission, the racing commission has been inactive and inoperative for several years. There are no licensed tracks in the state that offer horse races and there is no racing commission to approve interstate off-track wagers within the state of Missouri.

Officials from the **Department of Corrections (DOC)** stated there has not been anyone convicted under §313.660 since FY 2001; therefore, DOC assumes a no impact to this section.

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

Responses regarding the proposed legislation as a whole

The **Oversight Division** is responsible for providing a Sunset Report pursuant to Section 23.253 RSMo; however, Oversight can absorb the cost with the current budget authority.

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Officials from the AGO assume any cost can be absorbed. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Commerce and Insurance, Department of Elementary and Secondary Education, Department of Higher Education and Workforce, 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 (Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety, Director's Office, Missouri Highway Patrol, State Emergency Management Agency, Missouri Veterans Commission), Department of Social Services, Office of the Governor, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Department of Transportation, MoDOT & Patrol Employees' Retirement System, Office of the State Courts Administrator, Office of the State Treasurer, Office of the Lieutenant Governor, City of Kansas City, Newton County Health Department, Office of the State Auditor, Missouri House of Representatives, Joint Committee on Public Employee Retirement, Legislative Research, Missouri Senate, Missouri Lottery Commission, Missouri Consolidated Health Care Plan, Missouri State Employee's Retirement System, and State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from the **Missouri Ethics Commission, Missouri National Guard, Office of Administration, Office of the State Public Defender, and University of Missouri** 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 this agency.

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Rule Promulgation

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

Officials from the **Office of the Secretary of State (SOS)** note 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 its 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.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – DED (\$196.1106) p.4</u>			
Personal Service	(\$144,520)	(\$176,892)	(\$180,430)
Fringe Benefits	(\$85,353)	(\$103,818)	(\$105,241)
Equipment and Expense	(\$40,928)	(\$13,352)	(\$13,619)
Total Cost - DED	(\$270,801)	(\$294,062)	(\$299,290)
FTE Change - DED	2 FTE	2 FTE	2 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$270,801)	(\$294,062)	(\$299,290)
Estimated Net FTE Change on General Revenue	2FTE	2FTE	2FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

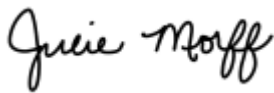
This proposal requires state departments to report on obsolete administrative entities, repeals certain administrative entities, and repeals and reassigns duties for certain other administrative entities.

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

Attorney General's Office
Department of Commerce and Insurance
Department of Corrections
Department of Economic Development
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Higher Education and Workforce Development
Department of Labor and Industrial Relations
Department of Mental Health
Department of Natural Resources
Department of Public Safety
 Alcohol and Tobacco Control
 Capitol Police
 Fire Safety
 Missouri Gaming Commission
 Missouri Highway Patrol
 Missouri Veterans Commission
 Office of the Director
 State Emergency Management Agency
Department of Revenue
Department of Social Services
Joint Committee on Administrative Rules
Joint Committee on Legislative Research
 Legislative Research
 Oversight Division
Missouri Consolidated Health Care Plan
Missouri Department of Agriculture
Missouri Department of Conservation

Missouri Department of Transportation
Missouri Ethics Commission
Missouri House of Representatives
Missouri Lottery Commission
Missouri National Guard
Missouri Senate
Missouri State Employee's Retirement System
MoDOT & Patrol Employees' Retirement System
Office of Administration
 Administrative Hearing Commission
 Budget and Planning
 Commissioner's Office
Office of the Governor
Office of the Lieutenant Governor
Office of the Secretary of State
Office of the State Auditor
Office of the State Courts Administrator
Office of the State Public Defender
State Tax Commission
Missouri Office of Prosecution Services
City of Kansas City
Newton County
University of Missouri
Missouri State University
Northwest Missouri State University
University Of Central Missouri



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