

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4679-01
Bill No.: HB 1536
Subject: Education, Elementary and Secondary; Environmental Protection; Health
Department; Health, Public
Type: Original
Date: March 10, 2006

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|-----------------------------------------------------------------------|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|-----------------------------------------------------------------------|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| | | | |
| 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.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---------------------------------------------------------------|----------------|----------------|----------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--------------------------------------------|----------------------------|----------------------------|----------------------------|
| FUND AFFECTED | FY 2007 | FY 2008 | FY 2009 |
| Local Government | Less than \$100,000 | Less than \$100,000 | Less than \$100,000 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Treasurer** and **Office of State Courts Administrator** assume this proposal would not fiscally impact their agencies.

Officials from the **Department of Health and Senior Services (DOH)** assume any penalties collected would be less than \$100,000.

DOH assumes this proposal would not fiscally impact the operations of the DOH. DOH states if a fiscal impact were to result, funds to support the program would be sought through the appropriations process.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume there is no state cost to the foundation formula associated with this proposal. DESE states should the amendments to current law redirect the receipt of fines or penalties, DESE cannot know how much additional money might be collected by local governments or the DOR to distribute to schools. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to schools increases the deduction in the foundation formula the following year. Therefore the affected districts will see an equal decrease in the amount of funding received through the formula the following year; unless the affected districts are hold-harmless, in which

ASSUMPTION (continued)

case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Oversight assumes the impact to the foundation formula will be minimal.

| | | | |
|-----------------------------------------|---------------------|------------|------------|
| <u>FISCAL IMPACT - State Government</u> | FY 2007 (10 Mo.) | FY 2008 | FY 2009 |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2007 (10 Mo.) | FY 2008 | FY 2009 |

LOCAL GOVERNMENT

| | | | |
|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Schools—annual penalty distribution | <u>Less than</u> <u>\$100,000</u> | <u>Less than</u> <u>\$100,000</u> | <u>Less than</u> <u>\$100,000</u> |
|-------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|

| | | | |
|-------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| ESTIMATED NET EFFECT ON LOCAL GOVERNMENT | <u>Less than</u> <u>\$100,000</u> | <u>Less than</u> <u>\$100,000</u> | <u>Less than</u> <u>\$100,000</u> |
|-------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|

FISCAL IMPACT - Small Business

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

DESCRIPTION

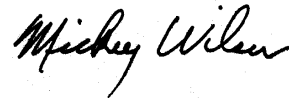
Currently, the administrative penalties collected for a violation of the laws regarding lead abatement and lead poisoning prevention are deposited into the Missouri Lead Abatement Loan Fund. This proposal requires the penalties to be distributed annually to the schools of several counties.

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

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SOURCES OF INFORMATION

Department of Health and Senior Services
State Treasurer's Office
Office of State Courts Administrator
Department of Elementary and Secondary Education



Mickey Wilson, CPA
Director
March 10, 2006