

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2291-01
Bill No.: HB 1085
Subject: Property, Real and Personal; General Assembly
Type: Original
Date: March 25, 2019

Bill Summary: This proposal authorizes the conveyance of certain state property.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue *	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
Total Estimated Net Effect on General Revenue	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Highway Funds *	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

* Offsetting impacts - parcel would be conveyed from the state (OA) to the State Highways and Transportation Commission (MoDOT) for \$1

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 5 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
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Facilities Management Design and Construction (OA-FMDC)** assume this proposal authorizes the conveyance of certain property titled in the name of the State of Missouri to the State Highways and Transportation Commission. The bill provides that the consideration for the property may not exceed \$1.00. Because this property is to be conveyed for nominal value, there is a fiscal impact to the State in the amount of the fair market value of the property. OA-FMDC does not currently have any information about the value of the property. (Although this property is titled in the name of the State of Missouri, it has been previously utilized by MoDOT as part of its highway maintenance facility.) Therefore, the fiscal impact of this bill is unknown.

Oversight notes that OA-FMDC has stated the proposal would have an unknown impact, depending on the terms of the conveyance in this proposal. Oversight also notes that the size, value, uses and estimated cost to maintain the property is unknown. Oversight does not have any information to the contrary. Therefore, Oversight will reflect an Unknown to (Unknown) fiscal impact to the General Revenue Fund (assuming the value of the parcel is more than \$1), and an offsetting potential positive fiscal impact to Highways and Transportation Commission for receiving a parcel for consideration of \$1.

Officials from the **Department of Transportation**, the **Attorney General's Office** and the **Department of Natural Resources** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Office of the Governor** state that the Governor is authorized and empowered to sell, transfer, grant, convey, remise, release, and forever quitclaim all interest of the State of Missouri in real property located in Pike County to the state highways and transportation commission. There should be no added cost to the Governor's Office as a result of this measure.

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 these agencies.

Officials from **Pike County** did not respond to our request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE FUND			
<u>Revenue</u> - Conveyance of property - potential proceeds	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Cost</u> - Conveyance of property - value of property & cost of transaction less than consideration received	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>

HIGHWAY FUNDS

<u>Gain</u> - Conveyance of property - consideration less than value of parcel	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT TO HIGHWAY FUNDS	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill specifies that the Governor is authorized to sell, transfer, grant, convey, remise, release, and forever quitclaim all interest of Missouri in property located in Pike County to the State Highways and Transportation Commission. The bill provides the description of the property.

FISCAL DESCRIPTION (continued)

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

Office of Administration
Attorney General's Office
Department of Natural Resources
Office of the Governor
Department of Transportation



Kyle Rieman
Director
March 25, 2019

Ross Strobe
Assistant Director
March 25, 2019