

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0565-01
Bill No.: HB 216
Subject: Political Subdivisions; Property, Real and Personal
Type: Original
Date: January 14, 2015

Bill Summary: This proposal prohibits the state and political subdivisions from implementing policies affecting property rights and from entering into certain relationships with organizations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Health and Senior Services (DHSS)** assume an unknown impact from this proposal since it is unclear on how this would be implemented statewide. As drafted, this legislation would prohibit DHSS from contracting with nongovernmental and intergovernmental organizations as defined in Agenda 21. A cursory review of Agenda 21 did not provide a clear definition of intergovernmental organizations. DHSS is concerned existing contracts with local public health agencies and other community partners could be eliminated, even if those contracts do not specifically relate to Agenda 21.

Currently, eleven municipalities in Missouri have participated in some manner with ICLEI-Local Governments for Sustainability. The list includes Clayton, Columbia, Creve Coeur, Kansas City, Corkwood, Lee's Summit, Riverside, Saint Louis, Saint Louis County, Town and Country, and University City. DHSS is unsure how existing contracts with these municipalities would be impacted.

Officials at the **Department of Corrections (DOC)** assume an unknown negative impact from this proposal. It is unclear what nongovernmental and intergovernmental organizations 'assist' in the implementation of policies relative to Agenda 21. Without this list, it is unclear if the provision would fiscally impact the DOC in current or future contracts.

Officials at the **Office of Administration (OA)** assume that because it is not possible to determine which organizations the legislation intends to target, OA will not be able to keep a list of prohibited organizations for use by other government agencies.

Officials at the **Department of Economic Development** are unable to determine the fiscal impact from this proposal.

Officials at the **City of Kansas City (KC)** assume an unknown negative impact from this proposal. There could be an unknown amount of legal expenses associated with KC defending itself from claims that might be made that City programs, projects, and/or initiatives are being done in concert with, or with funding from, organizations that are perceived as advancing Agenda 21 (including a variety of national foundations, as noted in the "Losses" section below).

ASSUMPTION (continued)

Similarly to the discussion regarding potential costs to the City, there could be an unknown amount of losses associated with missed opportunities for potential funding that the City might otherwise receive from foundations such as Bloomberg Philanthropies, the Summit Foundation, Doris Duke Charitable Foundation, the Kresge Foundation, Surdna Foundation, & others who are committed to sustainability (and who have previously provided funding to KC for implementation of a variety of sustainability initiatives and activities to implement the Kansas City Climate Protection Plan).

A few examples of past funding that KC might have been prohibited from receiving if HB 216 were in effect at the time:

- \$20,000 grant from the Summit Foundation for KC, St. Louis, & Columbia to collaborate on a survey of other cities' programs, policies, & issues related to making it easier to practice urban agriculture in our communities.
- Funding from Surdna Foundation, the Summit Foundation, Bloomberg Philanthropies, and other national foundations for USDN (the Urban Sustainability Directors Network) that enabled KC's Chief Environmental Officer to participate for 4 years at no cost to the City. Their funding continues to enable his participation in USDN at a substantially reduced cost in order to connect with municipal sustainability staff from across the US and Canada, share information & lessons learned, and develop opportunities for collaboration with other cities on sustainability initiatives.
- Funding for 3 years from Bloomberg Philanthropies, the Kresge Foundation, and the Doris Duke Charitable Foundation for a full-time position and a consultant to work with City staff to promote energy efficiency improvements to large commercial & institutional buildings in KC in order to reduce energy consumption, utility costs, & greenhouse gas emissions, while also creating additional local jobs.

Additional funding opportunities with these same foundations could be lost, e.g. a new solicitation for proposals for the "Partners for Places" grant from The Funders Network (a consortium of national foundations) and USDN for projects with local government sustainability directors using matching funds from a local place-based foundation.

Officials at the **City of Columbia** assume an unknown impact from this proposal.

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

ASSUMPTION (continued)

Officials at the **Department of Public Safety**, the **Department of Social Services**, the **Department of Revenue**, the **Department of Natural Resources**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Higher Education**, the **Missouri Consolidated Health Care Plan**, the **Missouri Department of Transportation**, the **Department of Labor and Industrial Relations**, the **Office of the State Treasurer**, the **Missouri Ethics Commission**, the **Department of Conservation**, the **Department of Mental Health**, the **Office of Prosecution Services**, the **Missouri Lottery Commission**, the **Office of the State Auditor**, the **State Tax Commission**, the **Office of Administration's Administrative Hearing Commission** and **Division of Budget and Planning**, the **Office of the State Courts Administrator**, the **MoDOT and Patrol Employees' Retirement System**, the **Joint Committee on Public Employee Retirement**, the **Department of Elementary and Secondary Education**, the **Joint Committee on Administrative Rules**, the **Office of the Governor**, the **Department of Agriculture**, the **Missouri House of Representatives**, the **Missouri State Senate**, the **Office of the Secretary of State**, the **Joint Committee on Legislative Research**, the **Office of the State Public Defender** and the **Office of the Lieutenant Governor** each assume no fiscal impact to their respective agencies from this proposal.

Officials at **St. Louis County**, the **St. Louis County Board of Election Commission** and the **Platte County Board of Election Commission** each assume no fiscal impact to their respective organizations from this proposal.

Oversight assumes that services offered by any prohibited entities could be provided by alternate entities. Oversight also assumes that any required listing of ineligible entities would be developed and maintained on a centralized basis by the Office of Administration - Division of Purchasing and Materials Management for state agencies in a similar manner as for other prohibited and debarred contractors. Finally, Oversight assumes such a list could be developed and maintained at minimal cost.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Marion, McDonald, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Pulaski, Scott, Shelby, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

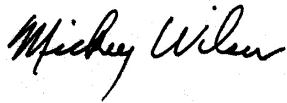
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Corrections
Office of Administration
Department of Economic Development
Office of the Attorney General
Department of Public Safety
Department of Social Services
Department of Revenue
Department of Natural Resources
Department of Insurance, Financial Institutions and Professional Registration
Department of Higher Education
Missouri Consolidated Health Care Plan
Missouri Department of Transportation
Department of Labor and Industrial Relations
Office of the State Treasurer
Missouri Ethics Commission
Department of Conservation
Department of Mental Health
Office of Prosecution Services
Missouri Lottery Commission
Office of the State Auditor
State Tax Commission
Office of Administration
 Administrative Hearing Commission
 Division of Budget and Planning
Office of the State Courts Administrator
MoDOT and Patrol Employees' Retirement System
Missouri State Senate
Missouri House of Representatives
Joint Committee on Public Employee Retirement
Department of Elementary and Secondary Education
Joint Committee on Administrative Rules
Office of the Governor
Department of Agriculture
Joint Committee on Legislative Research
Office of the State Public Defender
Office of the Lieutenant Governor
St. Louis County

SOURCES OF INFORMATION (continued)

St. Louis County Board of Election Commission
Platte County Board of Election Commission
City of Kansas City
City of Columbia



Mickey Wilson, CPA
Director
January 14, 2015

Ross Strobe
Assistant Director
January 14, 2015