

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2473-02
Bill No.: HCS for HB 1255
Subject: Homeland Security; Law Enforcement Officers and Agencies; Terrorism; Boards, Commissions, Committees, and Councils
Type: Original
Date: May 2, 2019

Bill Summary: This proposal creates the Law Enforcement Terrorism Prevention Activity Commission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	(\$5,000)	(\$5,000)	(\$5,000)
Total Estimated Net Effect on General Revenue	(\$5,000)	(\$5,000)	(\$5,000)

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

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 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

§650.580 - Law Enforcement Terrorism Prevention Activity Commission

Oversight notes that the **Department of Public Safety - (Missouri State Highway Patrol and State Emergency Management Agency), Joplin Police Department, Springfield Police Department** and **St. Louis County Department of Justice Services** have stated the proposal would not have a direct fiscal impact on their organizations.

In response to a previous version, officials from the **St. Louis County Police Department** 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 in the fiscal note for these agencies.

Officials from the **Department of Public Safety - Office of the Director** state this proposal creates a 36-member Law Enforcement Terrorism Prevention Activity Commission (LETPAC) and charges the LETPAC with making recommendations as to the appropriation of 25 percent of “any” grant money that the State receives from the U. S. Department of Homeland Security.

DPS-OHS currently receives funds through the Federal Homeland Security Grant Program (HSGP). Pursuant to federal law, 25 percent of HSGP funds must be passed through for law enforcement terrorism prevention activities. Since 2005, DPS has had an advisory committee that reviews applications and makes recommendations to the DPS Director for this funding. Prior administrations did not have a formal structure in place for this group. In Fall 2018, DPS began formalizing this process, including written bylaws and stronger conflict of interest protections. The current committee includes chiefs and sheriffs from regions across the state.

This legislation directs the LETPAC to make recommendations as to the appropriation of grant funding. It is unclear to whom these recommendations are to be made; however, as the power to appropriate funding is reserved for the General Assembly, it appears such recommendations would have to be made to the General Assembly. Members of the public, including sheriffs and police chiefs, are already free to communicate with legislators on matters of concern; therefore, a state-funded 36 member committee is unnecessary.

This bill does not require the LETPAC comply with federal standards for expenditures of U. S. Department of Homeland Security grant funding.

ASSUMPTION (continued)

DPS-OHS annually identifies capability gaps in its Statewide Preparedness Report. HSGP funding must be spent or awarded in alignment with those capability gaps. HB 1255 does not require that the LETPAC award funds to address these capability gaps.

The language in subsection 5 seems to require the LETPAC make recommendations regarding 25 percent of all federal homeland security grants received by the State, and not just HSGP funds. Programs within DPS that might be impacted would include the Emergency Management Performance Grant and the Urban Area Security Initiative. If any departments other than DPS receive Federal Homeland Security grants, those funds could also be subject to recommendations by the new LETPAC.

Oversight notes the bill provides for reimbursement for members of the commission for actual and necessary expenses. Oversight will assume the 36 members will incur costs of approximately \$5,000 annually meeting at least twice per year. Oversight will assume this cost will be paid from General Revenue.

Officials from the **Department of Public Safety (DPS)** stated over the past three years, they have been awarded the following grant amounts from the federal Department of Homeland Security:

\$6.68 million in FY 2018;
\$6.799 million in FY 2017; and
\$6.94 million in FY 2016

The proposal allows the commission to make recommendations for 25% of these funds.

Oversight assumes 25% of these funds would average \$1.7 million $((\$6.68 \text{ million} + \$6.799 \text{ million} + \$6.94 \text{ million}) \times 25\%)$. Oversight assumes the commission could make recommendations to the grant funds differently than DPS currently does.

Oversight notes the following activity in the DPS - Federal Homeland Security Fund (0193) for FY18, FY17, and FY16:

	Beginning Balance	Receipts	Disbursements/ JVs	Transfer In	Transfer Out	IAB Receipts	IAB Disbursements	Current Balance
FY 18	\$8,200.98	\$6,646,655.00	\$5,620,335.16	\$0	\$221,388.42	\$27.84	\$812,125.43	\$1,034.81
FY 17	\$484.64	\$14,403,968.79	\$6,639,397.98	\$5,198.31	\$290,098.53	\$0	\$7,471,954.25	\$8,200.98
FY 16	\$11,431.21	\$13,775,583.54	\$7,237,304.71	\$0	\$303,206.56	\$0	\$6,246,018.84	\$484.64

Source: State Treasurer's Office

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE			
<u>Costs - DPS (\$650.580)</u>			
Actual and necessary expenses of the 36 members of the Law Enforcement Terrorism Prevention Activity Commission	<u>(\$5,000)</u>	<u>(\$5,000)</u>	<u>(\$5,000)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>(\$5,000)</u>	<u>(\$5,000)</u>	<u>(\$5,000)</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 establishes within the Department of Public Safety a "Law Enforcement Terrorism Prevention Activity Commission," consisting of 18 sheriffs and 18 chiefs of police representing the nine regions of the state. The commission shall make recommendations as to the appropriation of 25% of any grant the state receives from the United States Department of Homeland Security.

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 Public Safety -
 Office of the Director
 Missouri State Highway Patrol
 State Emergency Management System
Joplin Police Department
Springfield Police Department
St. Louis County Department of Justice Services
St. Louis County Police Department



Kyle Rieman
Director
May 2, 2019

Ross Strobe
Assistant Director
May 2, 2019