COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.:</u> 3369-01 <u>Bill No.:</u> HB 1358

Subject: Surveyors; Property, Real and Personal; Business and Commerce

Type: Original

Date: December 19, 2019

Bill Summary: This proposal changes the laws regarding sales of land so that a sale of 10

or more acres requires a survey.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
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.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2021	FY 2022	FY 2023	
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 2021	FY 2022	FY 2023	
Local Government	\$0	\$0	\$0	

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FISCAL ANALYSIS

ASSUMPTION

Section 442.020.2 - Professional Land Surveyor Requirement

Officials from the **Office of Administration (OA) - Facilities Management Design and Construction (FMDC)** assume this proposal requires a survey by a professional land surveyor if land consisting of more than 10 acres is conveyed for compensation. This requirement does not apply if the state is the seller, but would apply if the state were the purchaser.

FMDC has only purchased one property in the last eight years that is over ten acres in size and subject to the survey requirements of this legislation. FMDC estimates the survey costs per land purchase could range between \$2,000 to \$20,000 depending on the size of the land being surveyed/purchased. Therefore, the impact of this bill is \$0 to \$20,000, assuming a maximum of one applicable property transaction in the next three fiscal years.

FMDC anticipates being able to absorb these costs; FMDC assumes they would be paid from currently appropriated funds/authority for surveys and appraisals in the CI budget. However, until the FY21 budget is final, FMDC cannot identify specific funding sources.

Oversight notes that the OA-FMDC has stated their agency anticipates being able to absorb the cost of the proposal. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Officials from the Missouri Department of Conservation, the Office of the State Treasurer, the Department of Commerce and Insurance, the Department of Transportation and the Department of Natural Resources each assume 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.

(10 Mo.)	00	20
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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FISCAL IMPACT - Local Government	FY 2021 (10 Mo.)	FY 2022	FY 2023
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

Certain small business surveyors, real estate companies, or business that acquire real property could be impacted by 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

Office of Administration
Office of the State Treasurer
Department of Commerce and Insurance
Department of Transportation
Missouri Department of Conservation
Department of Natural Resources

Julie Morff Director

December 19, 2019

Ross Strope Assistant Director December 19, 2019