

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2812H.01I
Bill No.: HCB 2
Subject: Conservation, Department of; Elementary and Secondary Education, Department of
Type: Original
Date: April 6, 2021

Bill Summary: This proposal requires the Department of Conservation to remit seventy-five percent of the proceeds from timber sales to school districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Conservation Commission Fund	(\$1,575,000)	(\$1,575,000)	(\$1,575,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$1,575,000)	(\$1,575,000)	(\$1,575,000)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$1,575,000	\$1,575,000	\$1,575,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Conservation (MDC)** assume this proposal will have an unknown fiscal impact greater than \$250,000.

Sales for the current fiscal year are estimated to top \$2,000,000 (currently \$1,937,824). Timber sales can span several years and income is dependent on the logging effort through the sale area.

Fiscal Year	Sum of Sales	75% Impact
2015	\$1,991,366	\$1,493,524
2016	\$1,969,751	\$1,477,313
2017	\$2,319,948	\$1,739,961
2018	\$2,898,003	\$2,173,502
2019	\$2,333,779	\$1,750,334
2020	\$1,485,807	\$1,114,355
2021 (current in SAMII)	\$1,937,824	\$1,453,368
Grand Total	\$14,936,478	\$11,202,358

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the MDC. Oversight notes the average amount of revenue from the sale of timber is approximately \$2.1 million with 75% of this amount estimated at \$1,575,000. Oversight will reflect this amount being transferred to local school districts on an annual basis.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
CONSERVATION COMMISSION FUND			
<u>Transfer Out</u> – to school districts for 75% of the sale of timber	<u>(\$1,575,000)</u>	<u>(\$1,575,000)</u>	<u>(\$1,575,000)</u>
ESTIMATED NET EFFECT ON THE CONSERVATION COMMISSION FUND	<u>(\$1,575,000)</u>	<u>(\$1,575,000)</u>	<u>(\$1,575,000)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
SCHOOL DISTRICTS			
<u>Transfer In</u> – from MDC for the sale of timber	<u>\$1,575,000</u>	<u>\$1,575,000</u>	<u>\$1,575,000</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$1,575,000</u>	<u>\$1,575,000</u>	<u>\$1,575,000</u>

FISCAL IMPACT – Small Business

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

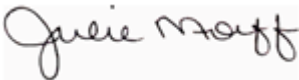
FISCAL DESCRIPTION

This proposal requires the Department of Conservation to remit seventy-five percent of the proceeds from timber sales to school districts.

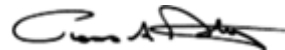
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Conservation



Julie Morff
Director
April 6, 2021



Ross Strobe
Assistant Director
April 6, 2021