

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2887H.011
Bill No.: HB 2289
Subject: Department of Transportation; Boards, Commissions, Committees, and Councils
Type: Original
Date: February 6, 2024

Bill Summary: This proposal modifies provisions relating to the Missouri Highways and Transportation Commission.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
State Road Funds*	\$0 or Up to \$250,000	\$0 or Up to \$300,000	\$0 or Up to \$300,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or Up to \$250,000	\$0 or Up to \$300,000	\$0 or Up to \$300,000

*Potential savings to MoDOT for MHTC expenses

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Transportation (MoDOT)** state abolishing the Missouri Highways and Transportation Commission (MHTC) would restrict MoDOT's long-range planning for transportation projects and the ability to deliver much-needed transportation projects across the entire state with a dedicated, stable funding source.

Upon further inquiry, **Oversight** notes MoDOT's budget for the MHTC in FY 2023 was \$300,000; therefore, Oversight will reflect a savings of \$0 (voters do not approve an amendment – per Section B) to “Up to \$300,000” (voters approve an amendment – per Section B) to MoDOT. Oversight notes this proposal does not call for an election; rather, this proposal shall only become effective upon the passage and approval of a constitutional amendment submitted to them by the General Assembly.

Officials from the **Office of the Governor, Legislative Research** and **Missouri Senate** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
STATE ROAD FUND			
<u>Savings</u> – MoDOT – no longer incurring MHTC expenses	\$0 or Up to <u>\$250,000</u>	\$0 or Up to <u>\$300,000</u>	\$0 or Up to <u>\$300,000</u>
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	\$0 or Up to <u>\$250,000</u>	\$0 or Up to <u>\$300,000</u>	\$0 or Up to <u>\$300,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<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 provides that the State Highways and Transportation Commission is dissolved and the Department of Transportation will be under the charge of a director appointed by the Governor with the advice and consent of the Senate.

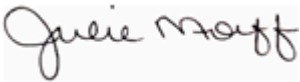
The Revisor of Statutes will change all references to the State Highways and Transportation Commission to the Department of Transportation.

The provisions of this bill will become effective only with the passage and approval by the voters of a Constitutional Amendment submitted to them by the General Assembly regarding the dissolution of the State Highways and Transportation Commission.

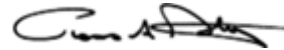
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Transportation
Office of the Governor
Missouri Senate
Legislative Research
Office of the Secretary of State
Joint Committee on Administrative Rules



Julie Morff
Director
February 6, 2024



Ross Strobe
Assistant Director
February 6, 2024