

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4080H.011
 Bill No.: HB 1415
 Subject: Transportation; Homeland Security; Interstate Cooperation; Cities, Towns, and Villages; Department of Public Safety; Department of Transportation
 Type: Original
 Date: April 2, 2024

Bill Summary: This proposal establishes the Unmanned Aerial Systems Security Act of 2024.

FISCAL SUMMARY

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

*Oversight assumes any potential costs for reimbursement of drones will be less than \$250,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other State Funds</u>	\$0	\$0	\$0

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, Office of Administration - Administrative Hearing Commission, Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Mental Health, Department of Natural Resources, Department of Corrections, Department of Labor and Industrial Relations, Department of Revenue, Department of Public Safety – Alcohol and Tobacco Control, Department of Public Safety – Capitol Police, Department of Public Safety – Fire Safety, Department of Public Safety – Director’s Office, Department of Public Safety – Gaming Commission, Missouri Highway Patrol, Missouri Veterans Commission, State Emergency Management Agency, Department of Social Services, Office of the Governor, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Ethics Commission, Missouri National Guard, MoDOT & Patrol Employees’ Retirement System, Office of Administration, Office of the State Treasurer, University of Missouri, Missouri Lottery, Missouri Consolidated Health Care Plan, Missouri State Employee’s Retirement System and State Tax Commission** 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.

Officials from the **Office of Administration - Budget and Planning** assume Section 542.566 states any department currently using a drone that does not meet the minimum requirements for that drone's usage tier, outlined in Section 542.556, may request a reimbursement up to the cost of acquiring a drone that meets the minimum requirements for that drone's usage tier from the state treasurer. While this reimbursement is conditioned on a designated appropriation being passed into law, this may result in increased costs to the state of an unknown amount.

Oversight assumes there could be potential reimbursements for drones that do not currently meet the requirements of this proposal; subject to appropriation. Therefore, Oversight will reflect a fiscal impact of \$0 (no agencies request reimbursement and/or appropriations are not given) to an “Unknown” fiscal impact (agencies request reimbursement and appropriations are given). Oversight assumes potential reimbursements will not exceed \$250,000.

Officials from the **Department of Health and Senior Services** defer to the Office of Administration for the potential fiscal impact of this proposal.

Officials from the **Office of the State Public Defender (SPD)** assume per the recently released National Public Defense Workload Study, the new charge contemplated by this change to Section 542.568, which will impact SPD’s child clients, would take approximately fourteen

hours of SPD work for reasonably effective representation. If one hundred cases were filed under this section in a fiscal year, representation would result in a need for an additional attorney. Because the number of cases that will be filed under this statute is unknown, the exact additional number of attorneys necessary is unknown. Each case would also result in unknown increased costs in the need for core staff, travel, and litigation expenses.

Oversight assumes SPD is provided with core funding to handle a certain amount of activity each year. Oversight assumes SPD could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, SPD could request funding through the appropriation process.

Officials from the **Office of the State Courts Administrator (OSCA)** assume there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight assumes OSCA is provided with core funding to handle a certain amount of activity each year. Oversight assumes OSCA could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OSCA could request funding through the appropriation process.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Cost – STO – potential reimbursement of drones</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</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 establishes the "Unmanned Aerial Systems Security Act of 2024."

This bill prohibits the purchase or use by a government agency of a drone or any related service or equipment produced by a manufacturer domiciled in a country of concern, as defined in the bill.

This bill establishes three tiers of drone classifications based on a drone's capabilities and functions to collect, transmit, or receive data, such as, only flight control data, visual data, or auditory data. The security requirements for the use of each tier varies, as specified in the bill.

Drones in use by a government agency are prohibited from being connected to the internet for any reason other than command, control, coordination, or communication to ground control stations.

The bill specifies security precautions government agencies must use when connecting a drone or its software to a computer or network of a government agency. Drones and their software are prohibited from connecting with any phone or other mobile device owned by a government agency that connects to a government agency network.

All communications from and to a drone shall utilize a federally compliant encryption algorithm.

The Missouri Department of Transportation shall identify sensitive installations within the state of Missouri for the purpose of prohibiting drone usage over those locations. Flight mapping software providers shall geo-fence the state's sensitive locations. Law enforcement agencies shall have access to geo-fenced locations.

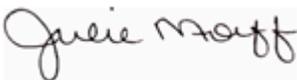
It shall be a class B misdemeanor for a provider of flight mapping software to allow a user to fly a drone over a sensitive location unless the user is a law enforcement officer. It shall be a class B misdemeanor to fly a drone over a sensitive location unless the user is a law enforcement officer.

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 Administration - Administrative Hearing Commission
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development

Department of Mental Health
Department of Natural Resources
Department of Corrections, Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety – Alcohol and Tobacco Control
Department of Public Safety – Capitol Police
Department of Public Safety – Fire Safety
Department of Public Safety – Director’s Office
Department of Public Safety – Gaming Commission
Missouri Highway Patrol
Missouri Veterans Commission
State Emergency Management Agency
Department of Social Services
Office of the Governor
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Ethics Commission
Missouri National Guard
MoDOT & Patrol Employees’ Retirement System
Office of Administration
Office of the State Treasurer
University of Missouri
Missouri Lottery
Missouri Consolidated Health Care Plan
Missouri State Employee's Retirement System and State Tax Commission
Department of Health and Senior Services
Office of the State Public Defender
Office of the State Courts Administrator
Office of Administration - Budget and Planning



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April 2, 2024



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April 2, 2024