

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4500H.011
 Bill No.: HB 1870
 Subject: Emergencies; Waste - Solid; Motor Carriers
 Type: Original
 Date: January 26, 2024

Bill Summary: This proposal modifies provisions relating to certain fees collected by the "Missouri Emergency Response 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
Chemical Emergency Preparedness *	\$797,500	\$957,000	\$957,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$797,500	\$957,000	\$957,000

* Oversight notes the proposal extends/renews an existing funding source that is currently set to expire on August 28, 2024 to August 28, 2030. Oversight notes the funds collected are distributed to local governments, the DPS-Fire Safety and MoDOT for hazardous materials training and assistance.

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

§292.606 – Fees collected by the Missouri Emergency Response Commission

Officials from the **Department of Public Safety (DPS) – State Emergency Management Agency (SEMA)** state currently, the collection of fees for hazardous chemicals in the workplace, which funds the Missouri Emergency Response Commission (MERC), is authorized until August 28, 2024. This would extend the authorization for six years to August 28, 2030.

The mission of the MERC is to protect public health and the environment by assisting communities with chemical incident prevention, preparedness, response, and recovery; and by receiving, processing, and reporting on chemical information under the community right-to-know laws. The program has been in existence since the late 1980s and has provided training and assistance to local communities to be compliant with the federal EPCRA (Emergency Planning and Community Right-to-Know Act) laws. Current law allows for the collection of data and fees.

In fiscal year 2023, the amount collected was approximately \$957,000 with 65% of this fund being redistributed to the locals, 10% distributed to the Missouri Division of Fire Safety for hazardous materials training and the remaining 25% is retained by the MERC to operate the program and to provide a match for federal funds that allow additional hazardous materials planning and training for local first responders. The chemical storage facility owners and gas station owners must pay the annual fee based on the type and amount of chemicals they store at their facility.

If not renewed, the Local Emergency Planning Committees or Districts would lose approximately \$650,000 in eligible funds. In many communities, these are the only funds available to remain compliant with federal law and most preparedness activities will not continue. Approximately \$80,000 in training money to the Missouri Division of Fire Safety would be lost, and the match for the \$400,000 dollars for the Missouri Department of Transportation grant would not be met. Without this grant, approximately 1,000 first responders will not receive any hazmat preparedness or response training.

Oversight notes receipts into the Chemical Emergency Preparedness Fund averaged \$835,640 per year during the period FY 2020 – FY 2023; disbursements averaged \$676,538 (81% of total receipts) during the same period.

Fund Balance at year end June 30, 2020	\$928,045
Fund Balance at year end June 30, 2021	\$833,710
Fund Balance at year end June 30, 2022	\$1,063,764
Fund Balance at year end June 30, 2023	\$1,033,869

Oversight will present \$957,000 in fees collected annually to the Chemical Emergency Preparedness Fund by SEMA for MERC. These fees will continue to be collected until August 28, 2030. Oversight notes, with the exception of approximately 25% retained in the fund by MERC, funds are distributed to local emergency planning committees, the DPS - Division of Fire Safety and the Missouri Department of Conservation for hazardous materials training and assistance. Oversight will reflect ten months of impact in FY 2025.

Officials from the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Department of Health and Senior Services**, the **Department of Natural Resources**, the **DPS – Division of Fire Safety** and the **Director’s Office**, the **Office of the Governor**, the **Kansas City Police Department** and the **St. Louis County Police Department** 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities, various county officials, sheriffs’ and police departments and fire protection districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
CHEMICAL EMERGENCY PREPAREDNESS FUND (0587)			
<u>Income – DPS-SEMA – extension of fees collected</u>	<u>\$797,500</u>	<u>\$957,000</u>	<u>\$957,000</u>
ESTIMATED NET EFFECT ON THE CHEMICAL EMERGENCY PREPAREDNESS FUND	<u>\$797,500</u>	<u>\$957,000</u>	<u>\$957,000</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.

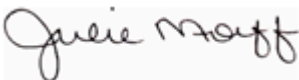
FISCAL DESCRIPTION

This bill extends the authority of the Missouri Emergency Response Commission to collect fees from August 28, 2024, to August 28, 2030.

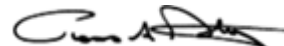
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Commerce and Insurance
Department of Economic Development
Department of Health and Senior Services
Department of Natural Resources
Department of Public Safety –
 Division of Fire Safety
 Director's Office
 State Emergency Management Agency
Office of the Governor
Kansas City Police Department
St. Louis County Police Department



Julie Morff
Director
January 26, 2024



Ross Strobe
Assistant Director
January 26, 2024