

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1164H.01P
Bill No.: Perfected HB 200
Subject: Department of Health and Senior Services, Public Health
Type: Original
Date: April 17, 2025

Bill Summary: This proposal modifies provisions relating to sewage disposal.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	\$0 or (\$234,525)	\$0 or (\$281,326)	\$0 or (\$286,187)
Total Estimated Net Effect on General Revenue**	\$0 or (\$234,525)	\$0 or (\$281,326)	\$0 or (\$286,187)

*Oversight notes the potential impact for 1 FTE and ITSD costs to Department of Natural Resources for tracking installation of light mitigation technology, issuing and tracking of fines for non-compliance, and for any rulemaking associated with this process.

****Oversight** assumes this proposal could increase utility costs to state departments and local governments if rate changes are made as a result of these new standards. Oversight assumes this would have an indirect impact and therefore will not show the impact in the fiscal note.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Chemical Emergency Preparedness (0587)	\$834,508	\$1,001,410	\$1,001,410
Total Estimated Net Effect on <u>Other</u> State Funds	\$834,508	\$1,001,410	\$1,001,410

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
Total Estimated Net Effect on FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE

- ☒ 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 2026	FY 2027	FY 2028
Local Government**/**	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

***Oversight** assumes this proposal could increase utility costs to state departments and local governments if rate changes are made as a result of these new standards. Oversight assumes this would have an indirect impact and therefore will not show the impact in the fiscal note.

****Oversight** assumes that the impact is from the possible fines issued for noncompliance of the installation of the light-mitigation technology.

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

§§ 701.040 and 701.046 – Sewage disposal

In response to a previous version, officials from the **Department of Health and Senior Services**, the **Department of Commerce and Insurance**, and the **Department of Natural Resources** each assumed 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.

Rule Promulgation

In response to a previous version, officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

In response to a previous version, 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 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.

House Amendment 1 – Changes the bill title

Oversight assumes this amendment will have no fiscal impact on the proposal.

House Amendment 2 - § 67.1754 - County Sales Taxes for Park Purposes

In response to similar legislation from the current session (HCS for HB 1271), officials from the **Department of Revenue (DOR)** noted this proposal modifies the use of funding received from a sales tax for a metropolitan park and recreational district. DOR notes that all sales tax received

is deposited into the metropolitan park and recreational district fund and then distributed for specific purposes. This proposal modifies the distribution by the district for specific purposes. This will not impact DOR as the district itself handles distribution for the specific purposes.

In response to similar legislation from the current session (HB 1271), officials from the **Office of Administration - Budget and Planning (B&P)** and the **Office of the Secretary of State** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight notes this proposal modifies the use of funds for sales tax for a metropolitan park and recreational district. Oversight assumes this provision will have no fiscal impact.

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 for this section.

House Amendment 3 - § 249.422 - Increases the fee imposed for the repair of lateral sewer service lines in certain areas upon a vote approving the increase

In response to similar legislation from the current session (HB 1306), officials from the **Office of Administration - Budget and Planning (B&P)** deferred to the local government and sewer district for the fiscal impact.

B&P stated this proposal has no direct impact on B&P. This proposal has no direct impact on general or total state revenues, and it will not impact the calculation pursuant to Art. X, Sec. 18(e).

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for B&P.

In response to similar legislation from the current session (HB 1306), officials from the **Office of the Secretary of State** assumed the proposal would have no fiscal impact on their organization.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

House Amendment 4 - § 260.558 - Modifies criteria of hazardous waste investigations and increases the hazardous waste fund appropriations

In response to similar legislation from the current session (HCS for HB Nos. 516, 290 & 778), officials from the **Department of Natural Resources** and the **Office of the State Treasurer** both assumed the proposal would have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal

note.

House Amendment 5 - § 292.606 - Fees paid to the Missouri Emergency Response Commission

Officials from the **Department of Public Safety (DPS) – State Emergency Management Agency (SEMA)** state that currently, authorization for the collection of fees for hazardous chemicals in the workplace, which funds the Missouri Emergency Response Commission (MERC), was not reauthorized under HB 1870 (2024) and was allowed to expire on August 28, 2024. HB 1870 (2024) would have extended 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 laws.

Current law allowed for the collection of data and fees. In fiscal year 2023, the amount collected was approximately \$1,001,410 with \$598,495 of this fund being redistributed to the locals, \$92,076 distributed to the Missouri Division of Fire Safety for hazardous materials training and the remaining \$230,190 was 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 an annual fee based on the type and amount of chemicals they store at their facility.

This proposal would allow a one-time fee to be calculated based on the normal filing due March 1, 2025 and will be paid by November 1, 2025.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as revenue coming into the Chemical Emergency Preparedness Fund of \$834,508 in FY 2026 and \$1,001,410 in FY 2027 and subsequent years.

Oversight notes the Chemical Emergency Preparedness Fund (0587) had a fund balance of \$698,599 on December 31, 2024.

In response to similar legislation from the current session (HCS for HB 70), 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 **Department of Public Safety (DPS)**, **Divisions of: Fire Safety** and the **Director's Office**, the **Office of the Governor**, the **Phelps County Sheriff**, the **Branson Police Department**, 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.

House Amendment 6 - § 393.2600 - Requires wind energy systems to apply to the Federal Aviation Administration for light-mitigating technology

In response to similar legislation from the current session (HCS for HB Nos. 1263 & 1124), officials from the **Office of Administration - Facilities Management, Design and Construction (FMDC)** assumed that this bill could increase utility costs to all state departments and local governments if rate changes are made. Without additional information, FMDC is unable to accurately calculate the impact of this bill; therefore, the impact is \$0 to unknown.

FMDC notes the impact is due to any costs associated with the installation, implementation, operation, and maintenance of a light-mitigating technology system shall be the responsibility of the developer, owner, or operator of the wind energy conversion system. These costs could then be passed on to the consumer. Additional costs could be added if the developer, owner, or operator does not install the technology in the appropriate timeframe as those costs could be passed on.

Oversight assumes this proposal could increase utility costs to state departments and local governments if rate changes are made as a result of these new standards. Oversight assumes this would have an indirect impact and therefore will not show the impact in the fiscal note.

In response to similar legislation from the current session (HCS for HB Nos. 1263 & 1124), officials from the **Department of Natural Resources (DNR)** stated that the Division of Energy (DE) is not specifically recognized in the bill language as the agency under DNR responsible for administering fines to developers, owners, or operators of wind energy conversion systems who fail to install light-mitigating technology. If it is decided that the Division of Energy will be the designated agency, there will be a cost to the Division for tracking installation of light mitigation technology, issuing and tracking of fines for non-compliance, and for any rulemaking associated with this process.

§ 393.2600.7

This section requires “Any developer, owner, or operator of a wind energy conversion system that is approved to install light-mitigating technology but does not install such approved light-mitigating technology in the time frames established in subsections 3 and 5 of this section shall be liable for a fine of five thousand dollars per day per wind turbine until the developer, owner, or operator installs the light-mitigating technology as approved.”

Requirements of staff time and resources include tracking timely installation of light-mitigating technology, establishing a uniform schedule for submitting notice of delay to DE, tracking fines owed and establishing a method of collection, and promulgating rules and regulations for the administration of these requirements. As of February 2025, there are 1,108 wind turbines in the State of Missouri. Construction for these started in 2007 for an average number of 61 turbines constructed per year.

The Division of Energy is a policy driven division and if they were responsible for implementing this provision, it would move them to a regulatory division. The fiscal impact would be approximately \$242,510 for the first year. The breakdown is as follows:

- 1 Environmental Program Specialist at \$68,381 and associated fringe
- Legal support totaling \$7,870 (10% of an FTE of salary \$78,701) and associated fringe for the rulemaking process.
- Office equipment and set-up \$4,425
- Ongoing Expense and Equipment \$1,286
- ITSD Database creation and maintenance \$141,667

Upon further inquiry, DNR does not have a way to estimate how many might be planned to be installed after August 28, 2025; but it may be possible to estimate whether the regulated utilities are planning any through the Integrated Resource Plans that they submit to PSC.

DNR also states that the expected capacity for Ameren between 2026 and 2035 is 2,000 MW, but unclear where that will be & cannot say how many turbines that would equal.

Oversight assumes the DNR is provided with core funding to handle a certain amount of activity each year. Oversight assumes the DNR could absorb the costs related to the legal counsel support. If multiple bills pass which require additional staffing and duties at substantial costs, DNR could request funding through the appropriation process. Therefore, Oversight will only reflect the 1 FTE for the Environmental Program Specialist requested.

Oversight notes that §393.2600.7 states “Any developer, owner, or operator of a wind energy conversion system that is approved to install light-mitigating technology but does not install such approved light-mitigating technology in the time frames established in subsections 3 and 5 of this section shall be liable for a fine of five thousand dollars per day per wind turbine until the developer, owner, or operator installs the light-mitigating technology as approved.”

Oversight notes that Article IX, Section 7 of the Missouri Constitution requires fines to be distributed to the school district where the violation occurred; therefore, Oversight will reflect a positive fiscal impact of \$0 to Unknown to local school districts on the fiscal note. Therefore, Oversight will reflect a zero (compliant) or unknown revenue gain for the collection of fines in the fiscal note.

In response to similar legislation from the current session (HCS for HB Nos. 1263 & 1124), officials from the **Department of Commerce and Insurance**, the **Missouri Department of Conservation** and the **Missouri Department of Transportation** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to similar legislation from the current session (HCS for HB Nos. 1263 & 1124), officials from the **Morgan County PWS #2**, the **St. Charles County PWS #2 - 7A Water**,

and the **Wayne County PWSD #2** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes Section 393.2600.6 states any costs associated with the installation, implementation, operation, and maintenance of a light-mitigating technology system shall be the responsibility of the developer, owner, or operator of the wind energy conversion system. Therefore, Oversight will reflect a zero impact on the fiscal note.

Responses regarding the proposed legislation as a whole

Officials from the **City of Kansas City**, the **Metropolitan St. Louis Sewer District - 7B Sewer**, and the **South River Drainage District - 7D Levee**, 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, cities, various county officials, and other sheriffs, police 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 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND (0101)			
<u>Cost – DNR (§ 393.2600.7) p. 6-7</u>	\$0 or	\$0 or	\$0 or
Personal Service	(\$52,818)	(\$64,649)	(\$65,492)
Fringe Benefits	(\$34,329)	(\$41,703)	(\$42,222)
Equipment and Expense	(\$5,711)	(\$1,574)	(\$1,605)
<u>Total Cost – DNR</u>	<u>(\$92,858)</u>	<u>(\$107,926)</u>	<u>(\$109,319)</u>
FTE Change – DNR	1 FTE	1 FTE	1 FTE
<u>Cost – OA, ITSD/DNR (§ 393.2600.7)</u>	\$0 or	\$0 or	\$0 or
<u>Creation of new database p.6-7</u>	<u>(\$141,667)</u>	<u>(\$173,400)</u>	<u>(\$176,868)</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	\$0 or <u>(\$234,525)</u>	\$0 or <u>(\$281,326)</u>	\$0 or <u>(\$286,187)</u>
Estimated Net FTE Change to the General Revenue Fund	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
CHEMICAL EMERGENCY PREPAREDNESS FUND (0587)			
<u>Income – SEMA (§ 292.606) – renewal of annual fees p. 5</u>	<u>\$834,508</u>	<u>\$1,001,410</u>	<u>\$1,001,410</u>
ESTIMATED NET EFFECT ON THE CHEMICAL EMERGENCY PREPAREDNESS FUND	<u>\$834,508</u>	<u>\$1,001,410</u>	<u>\$1,001,410</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue – School Districts (§ 393.2600.7) Fines collected for noncompliance p. 4</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT – Small Business

Small businesses could have an increase in utility costs 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, 2022, to August 28, 2031. A one-time fee shall be calculated and shall be paid by November 1, 2025. (§292.606)

This bill prohibits a new "Wind Energy Conversion System", as defined in the bill, to begin commercial operations after August 28, 2025, unless that developer, owner, or operator applies to the Federal Aviation Administration (FAA) for installation of a light mitigating technology

system. If the installation is approved by the FAA, the developer, owner, or operator of such wind energy conversion system must install the light-mitigating technology system on approved turbines within 24 months of approval.

Prior to August 28, 2030, any developer, owner, or operator of a commercial wind energy conversion system without a light-mitigating technology system must apply to the FAA for installation and operation of a system within six months of a new power offtake agreement. If the installation is approved by the FAA, the developer, owner, or operator must install the system on approved turbines within 24 months of approval.

Any vendor selected for installation of a light-mitigating technology system must provide to the Department of Natural Resources notice of the progress of the installation of the system. If the installation is delayed beyond the 24-month requirement, the vendor must provide notice to the Department at least every three months, with an update on the reasons for the delay and current status of installation. Any costs associated with the installation, implementation, operation, and maintenance of the system must be the responsibility of the developer, owner, or operator of the wind energy conversion system.

Any developer, owner, or operator of a wind energy conversion system that is approved to install light-mitigating technology but does not install such approved light-mitigating technology in the time frames established in subsections 3 and 5 of this section shall be liable for a fine of five thousand dollars per day per wind turbine until the developer, owner, or operator installs the light-mitigating technology as approved. (§393.2600.7)

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 –
 Fire Safety
 Director's office
 State Emergency Management Agency
Department of Revenue
Joint Committee on Administrative Rules
Missouri Department of Conservation
Missouri Department of Transportation
Office of Administration - Budget and Planning
Office of the Governor
Office of the Secretary of State

Office of the State Treasurer
City of Kansas City
Phelps County Sheriff
Branson Police Department
Kansas City Police Department
St. Louis County Police Department
Metropolitan St. Louis Sewer District - 7B Sewer
Morgan County PWSD #2
South River Drainage District - 7D Levee
St. Charles County PWSD #2 - 7A Water
Wayne County PWSD #2



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