

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1387H.03C
Bill No.: HCS for HB 806
Subject: Political Subdivisions; Fireworks; Counties; Fire Protection
Type: Original
Date: February 25, 2025

Bill Summary: This proposal modifies provisions governing fireworks.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Fire Education	Up to \$71,278	Up to \$85,534	Up to \$85,534
Cigarette Fire Safety & Firefighter Protection	Up to \$52,712	Up to \$63,255	Up to \$63,255
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$123,990	Up to \$148,789	Up to \$148,789

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
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 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§320.111 320.116 and 320.147 – Provisions governing fireworks

Officials from the **Department of Public Safety (DPS) – Division of Fire Safety (DFS)** state the DFS took the average of each type of permit over the past three fiscal years and multiplied it by the current and proposed new fees. From the totals, the ATC figured the difference and calculated the proposed 80/20 split between fund 0821 (Firefighter Training) and 0927 (Fire Safe Cigarette). Since the fund split is a new proposal, the ATC then took the low and high revenues over the past three fiscal years to calculate the split and add the fee increase. This would cause an increase in revenues to the Firefighter Training Fund of approximately \$83,520 to \$85,534 annually and an increase to the Fire Safe Cigarette Fund of approximately \$61,241 to \$63,255 annually.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by DPS-DFS.

Officials from the **Attorney General’s Office (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight has no information to the contrary. Therefore, Oversight will present no fiscal impact of this proposal as provided by the AGO.

Bill as a whole

Officials from the **Department of Natural Resources, the Department of Corrections, the DPS - Missouri Highway Patrol, the Missouri Department of Transportation, the City of Kansas City, the City of O’Fallon and the Missouri Office of Prosecution Services** 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.

In response to the previous version of this proposal, officials from the **Office of the State Courts Administrator** assumed the proposal would have no fiscal impact on their organization.

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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities, various county officials, 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
FIRE EDUCATION FUND (0821)			
<u>Income</u> – DPS-DFS – increase in license and permit fees (§320.111.10) p.3	Up to \$71,278	Up to \$85,534	Up to \$85,534
ESTIMATED NET EFFECT ON THE FIRE EDUCATION FUND	<u>Up to \$71,278</u>	<u>Up to \$85,534</u>	<u>Up to \$85,534</u>
CIGARETTE FIRE SAFETY & FIREFIGHTER PROTECTION FUND (0937)			
<u>Income</u> – DPS-DFS – increase in license and permit fees (§320.111.10) p.3	Up to \$52,712	Up to \$63,255	Up to \$63,255
ESTIMATED NET EFFECT ON THE CIGARETTE FIRE SAFETY & FIREFIGHTER PROTECTION FUND	<u>Up to \$52,712</u>	<u>Up to \$63,255</u>	<u>Up to \$63,255</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

This proposal will negatively impact small businesses that sell fireworks as licensure fees are increased. (§320.111)

FISCAL DESCRIPTION

Currently, all fees collected for permits are deposited to the credit of the Fire Education Fund. This bill requires that the fees be deposited as follows:

- (1) 80% into the Fire Education Fund; and
- (2) 20% into the Cigarette Fire Safety Standard and Firefighter Protection Act (§320.111)

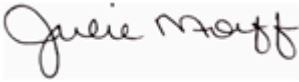
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Department of Natural Resources
Department of Corrections
Department of Public Safety –
 Division of Fire Safety
 Missouri Highway Patrol
Missouri Department of Transportation
Office of the Secretary of State
City of Kansas City
City of O'Fallon

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Joint Committee on Administrative Rules
Missouri Office of Prosecution Services
Office of the State Courts Administrator

A handwritten signature in cursive script that reads "Julie Morff".

Julie Morff
Director
February 25, 2025

A handwritten signature in cursive script that reads "Jessica Harris".

Jessica Harris
Assistant Director
February 25, 2025