

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1413H.03C  
Bill No.: HCS for HB 569  
Subject: Utilities; Corporations  
Type: Original  
Date: March 17, 2025

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Bill Summary: This proposal modifies dates for deferrals by electrical corporations.

**FISCAL SUMMARY**

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

\*This bill 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 be an indirect impact and therefore will not show the impact in the fiscal note.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Total Estimated Net Effect on <u>Other</u> State Funds*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*This bill 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 be an indirect impact and therefore will not show the impact in the fiscal note.

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of Administration - Facilities Management, Design and Construction (FMDC)** state that the impact due to language in Section 393.1400. FMDC assumes that this bill could increase utility costs to all state departments and local governments if rate changes are made.

However, without more information, FMDC is unable to calculate the impact this legislation would have on statewide utility costs for consolidated facilities managed by FMDC. Therefore, the impact is \$0 to 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 be an indirect impact and therefore will not show the impact in the fiscal note.

Officials from **Office of Administration - Budget and Planning**, the **Department of Commerce and Insurance**, the **Department of Natural Resources**, the **Missouri Department of Agriculture**, the **Missouri Department of Transportation**, **Office of the Secretary of State**, the **Office of the State Treasurer**, the **City of Kansas City**, 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.

Officials from the **Department of Revenue (DOR)** assume the proposal will have no fiscal impact on their organization. DOR states that this proposal is not relevant to the DOR.

Officials from the **City of Osceola Water/Wastewater** assume the proposal will have no fiscal impact on their organization. They state that the city of Osceola, MO purchases its electricity from Evergy. They are unsure how the proposal will affect them.

In response to the previous version, officials from the **Missouri Department of Conservation**, the **State Tax Commission**, the **City of O'Fallon**, the **Metro St. Louis Sewer District – 7B Sewer**, and the **St. Charles County PWSD #2 – 7A** each assumed the proposal would 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.

In response to similar legislation, SB 51 (2025), officials from the **Morgan County PWSD #2** indicated this proposal would have an unknown impact.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other local agencies 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.

#### 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.

In response to the previous version, officials from the **Office of the Secretary of State (SOS)** noted 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 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</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

Small businesses could potentially see an increase in utility costs as a result of the new standards in this proposal.


#### FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Revenue  
Missouri Department of Conservation  
Missouri Department of Transportation  
Office of Administration  
State Tax Commission  
Osceola Water/Wastewater  
Morgan County PWSD #2  
Metropolitan St. Louis Sewer District - 7B Sewer  
South River Drainage District - 7D Levee  
St. Charles County PWSD #2 - 7A Water  
City of Kansas City  
City of O'Fallon



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March 17, 2025



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