

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1713H.01I
Bill No.: HB 748
Subject: Utilities; Public Service Commission
Type: Original
Date: February 18, 2025

Bill Summary: This proposal modifies provisions relating to the Public Counsel.

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
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

Section 386.370: Creation of the Office of Public Council Fund

Officials from the **Department of Commerce and Insurance (DCI)** assume the proposal will have no fiscal impact on their organization. The Office of Public Council (OPC) anticipates any potential costs arising from this proposal can be absorbed with existing resources. They will process assessments similar to how the Public Service Council (PSC) processes them.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the OPC will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the OPC for fiscal note purposes.

Officials from the **Department of Revenue (DOR)** state that currently the Office of Public Counsel determines the amount necessary to perform their duties and submits that amount to the appropriation committees. Then the appropriations committees give them the money to perform their duties.

This proposal would require the Office of the Public Counsel to collect the money needed from the utility companies. The Office of Public Counsel is to apportion a piece of their total budget to each public utility in the state. This will be done through a special assessment of each public utility. This proposal says the Office of the Public Counsel will assess the utilities and they will submit their payments to DOR for deposit.

DOR notes that should the OPC collect and process the payments and bring them to DOR just for deposit then this process would be done like most payments made to state agencies. If this process were followed, then this proposal would not require additional resources for DOR to handle.

However, should DOR be expected to collect and track what payments are received then DOR would need additional resources. A new computer tracking program as well as one Associate Customer Service Representative (\$37,020) would be needed for handling the payments. Additionally, the computer costs to set something up in their system could have one-time costs of \$100,000.

Oversight notes that this proposal is essentially mirroring the same requirements that are current law for the Public Service Commission under Section 386.370 to the Office of Public Council. Therefore, Oversight assumes the DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes the DOR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs the DOR

could request funding through the appropriation process. **Oversight** will reflect a zero impact on the fiscal note.

Officials from the **Office of Administration** and the **Office of the State Treasurer** both 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 **Wayne County PWSD #2** assume the proposal will have a fiscal impact.

Officials from the **City of Kansas City**, the **Metropolitan St. Louis Sewer District - 7B Sewer**, the **South River Drainage District - 7D Levee**, and the **St. Charles County PWSD #2 - 7A Water** 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 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.

<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

No direct fiscal impact to small businesses would be expected as a result of this proposal.

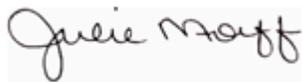
FISCAL DESCRIPTION

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



Julie Morff
Director
February 18, 2025



Jessica Harris
Assistant Director
February 18, 2025