

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1807H.01I
Bill No.: HB 837
Subject: Boards, Commissions, Committees, and Councils; Transportation
Type: Original
Date: March 4, 2025

Bill Summary: Modifies provisions relating to state funds for regional planning commissions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	\$0 or Up to (\$555,000)	\$0 or Up to (\$577,200)	\$0 or Up to (\$599,844)
Total Estimated Net Effect on General Revenue	\$0 or Up to (\$555,000)	\$0 or Up to (\$577,200)	\$0 or Up to (\$599,844)

*Amounts reflect potential increased appropriations to regional planning commissions.
(\$251.034)

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 or Up to \$555,000	\$0 or Up to \$577,200	\$0 or Up to \$599,844

*Amounts reflect potential increased appropriations to regional planning commissions.
(\$251.034)

FISCAL ANALYSIS

ASSUMPTION

§251.034 – Regional Planning Commissions

Officials from the **Office of Administration - Budget and Planning (B&P)** assume the following regarding this proposal:

This legislation increases the amount of state funds Missouri regional planning commissions can receive under §251.034. Under this legislation, the annual funding cap for the East-West Gateway Coordinating Council and Mid-America Regional Council Regional Planning Commissions is raised from \$65,000 to \$130,000, while the remaining seventeen regional planning commission's annual funding caps are each increased from \$25,000 to \$50,000.

Regional planning commissions' funding is subject to appropriation, so B&P assumes state costs could rise anywhere from \$0 - \$555,000 in fiscal year 2026. Further, the legislation mandates annual funding caps be adjusted with the consumer price index beginning in July, 2026, and each year after, so state costs could rise anywhere from \$0 - \$577,200 in fiscal year 2027 and from \$0 - \$599,844 in fiscal year 2028, assuming an inflation rate of 2% each year.

B&P assumes increased state distributions to regional planning commissions will be funded through the General Revenue Fund, as these grants are currently funded through General Revenue in §5.310 of HB 2005 (2024).

Officials from the **Department of Economic Development** and **Missouri Department of Transportation** 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.

In response to a similar proposal from 2025 (SB 477), officials from the **Southeast Missouri Regional Planning and Economic Development Commission** 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.

Oversight notes the regional planning commissions receive funds from the Office of Administration and are required to be matched with local funds. This proposal doubles those limits and also provides for adjustments with the consumer price index beginning July 1, 2026. Oversight will reflect amounts "Up to" the proposed new amounts as these are caps, not actual appropriations. Oversight will use an inflation rate of 2% to calculate the amounts for FY 2027 and beyond.

Regional Planning Commission	Current Cap on Funding	Proposed Cap on Funding
East-West	\$65,000	\$130,000
Mid-American Regional Council	\$65,000	\$130,000
South Central Ozark	\$25,000	\$50,000
Ozark Foothills	\$25,000	\$50,000
Green Hills	\$25,000	\$50,000
Bootheel	\$25,000	\$50,000
Mark Twain	\$25,000	\$50,000
Southeast Missouri	\$25,000	\$50,000
Boonslick	\$25,000	\$50,000
Northwest Missouri	\$25,000	\$50,000
Mid-Missouri	\$25,000	\$50,000
Kaysinger Basin	\$25,000	\$50,000
Lake of the Ozark	\$25,000	\$50,000
Meramec	\$25,000	\$50,000
Northeast Missouri	\$25,000	\$50,000
Harry S. Truman	\$25,000	\$50,000
MO-Kan	\$25,000	\$50,000
Pioneer Trails	\$25,000	\$50,000
Southwest Missouri	\$25,000	\$50,000
Total	\$555,000	\$1,110,000

Oversight notes the actual state expenditures for the regional planning commissions have been:

FY 2021	\$291,000
FY 2022	\$388,000
FY 2023	\$543,200
FY 2024	\$543,200

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Transfer Out – to regional planning commissions (\$251.034)</u>	\$0 or Up to <u>(\$555,000)</u>	\$0 or Up to <u>(\$577,200)</u>	\$0 or Up to <u>(\$599,844)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	\$0 or Up to <u>(\$555,000)</u>	\$0 or Up to <u>(\$577,200)</u>	\$0 or Up to <u>(\$599,844)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
REGIONAL PLANNING COMMISSIONS			
<u>Transfer In</u> – regional planning commissions - from General Revenue (\$251.034)	\$0 or Up to <u>\$555,000</u>	\$0 or Up to <u>\$577,200</u>	\$0 or Up to <u>\$599,844</u>
ESTIMATED NET EFFECT ON REGIONAL PLANNING COMMISSIONS	\$0 or Up to <u>\$555,000</u>	\$0 or Up to <u>\$577,200</u>	\$0 or Up to <u>\$599,844</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

Under current law, state funds for the East-West Gateway Coordinating Council and for the Mid-America Regional Council are not to exceed \$65,000 and state funds for other regional planning commissions must not exceed \$25,000. This bill changes the sums to \$130,000 and \$50,000.

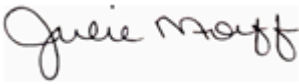
Additionally, the bill removes the regional planning commissions of Show-Me, Missouri Valley, Ozark Gateway, ABCD, and Lakes County and adds Harry S. Truman, MO-Kan, Pioneer Trails, and Southwest Missouri.

Beginning July 1, 2026, the maximum grant amount for each regional planning commission will be adjusted with the Consumer Price Index.

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

Missouri Department of Transportation
Department of Economic Development
Office of Administration - Budget and Planning
Southeast Missouri Regional Planning and Economic Development Commission



Julie Morff
Director
March 4, 2025



Jessica Harris
Assistant Director
March 4, 2025