

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2298H.01I  
Bill No.: HB 967  
Subject: Tourism; Treasurer, State  
Type: Original  
Date: April 1, 2025

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Bill Summary: This proposal modifies the Tourism Supplemental Revenue Fund.

**FISCAL SUMMARY**

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

\*Oversight reflects a range of funds that may be appropriated to the "Division of Tourism Supplemental Revenue Fund" (the General Assembly may appropriate). Oversight notes section 620.467 expired June 30, 2020 and this proposal appears to be a continuation of an existing, annual transfer. Oversight will assume, for the purpose of the fiscal note, the continued appropriation would be greater than \$250,000 (3-year average has been \$22.5 million per year).

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Division of Tourism Supplemental Revenue Fund (0274)*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Oversight assumes the Division of Tourism Supplemental Revenue Fund nets to zero.  
Numbers within parentheses: () indicate costs or losses.

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

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of Administration – Budget & Planning (B&P)** assume the proposed legislation reenacts and modifies provisions of Section 620.467, RSMo which sunset on June 30, 2020. The proposal allows the General Assembly to appropriate funds into the Tourism Supplemental Revenue Fund, and also allows gifts, contributions, grants, or bequests received from federal, private, or other sources to be deposited into the fund. This bill also repeals obsolete language and amounts, repeals provisions in subsections 620.467.2, 620.467.3 and 620.467.4 which govern how funds are deposited into the TSRF and how those funds were to be expended. This proposal will not impact general or total state revenues. The General Assembly currently appropriates monies to the TSRF.

Officials from the **Department of Revenue (DOR)** assume from 1994 to 2020 the state had a Supplemental Revenue Fund that received appropriations to be used to fund the Division of Tourism. The appropriation amount was based on a formula having to do with the sales tax amount collected from tourist-oriented goods and services. The language creating the Fund expired on June 30, 2020.

This proposal would restart the Fund by removing the expiration date in the statute. Additionally, it removes the formula for calculating the appropriation transfer and allows any amount of appropriation as well as gifts, contributions, grants, or bequests from federal or private sources to be deposited into the Fund.

DOR was previously responsible for the calculation of the formula to determine the appropriation level. That will no longer need to be done. This proposal is not expected to have any fiscal impact on DOR in the future.

**Oversight** notes that the officials from the **DOR** assumed the proposal will 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 DOR.

**Oversight** notes §§620.467 was effective from July 1, 1994 and expired June 30, 2020 and created the Division of Tourism Supplemental Revenue Fund.

**Oversight** assumes that the proposal re-establishes the "Division of Tourism Supplemental Revenue Fund" and denotes how it receives money.

**Oversight** notes, upon further inquiry with the DED, the Fund is the main source of money for the Division of Tourism.

**Oversight** notes the following disbursements, transfers in, and ending balances in the last three years for the Division of Tourism Supplemental Revenue Fund (0274):

	Disbursements	Transfers - In	Ending Balance
<b>FY 2024</b>	23,244,675.61	22,732,150.00	3,584,416.67
<b>FY 2023</b>	22,980,446.53	25,090,183.00	5,317,513.19
<b>FY 2022</b>	20,822,160.40	19,676,852.00	4,333,755.20

Source: <https://treasurer.mo.gov/content/about-the-office/1fiscalyearfunds>

**Oversight** notes that the three-year average total to \$22.5 million (rounding to nearest dollar)

**Oversight** notes that, under the proposal, the General Assembly may appropriate money into the Fund to support the Division of Tourism duties and its functions. Therefore, Oversight will reflect \$0 (general assembly will not appropriate money) to an unknown cost (general assembly elects to appropriate money) to general revenue in the fiscal note beginning FY 2026.

Conversely, Oversight will show a transfer-in from the general revenue into the Fund.

**Oversight** notes that the Fund is allowed to receive gifts, contributions, grants, or bequests received from federal, private, or other sources. Therefore, Oversight will reflect money transfer in from the above mention various sources into the Fund.

For simplicity, **Oversight** assumes all the funds will be used in the year in which they are appropriated due to various costs that the Division of Tourism will potentially incur while performing various functions and duties.

**Oversight** assumes based on the transfers-in according to the Fiscal Year End fund activity report for the Fund in FY 2024, transfers-in totaled \$22,732,150. Therefore, Oversight will assume the potential appropriation could reach, or surpass, the \$250,000 annually. (source: <https://treasurer.mo.gov/content/about-the-office/1fiscalyearfunds>)

Officials from the **Office of the State Treasurer** assume the proposal will have no fiscal impact on their organization.

Officials from the **Missouri House of Representatives** and the **Missouri Senate** both assume the proposal will 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 these respective agencies.

Officials from the **Department of Economic Development (DED)** assume 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 the DED.

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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>GENERAL REVENUE</b>			
<u>Transfer-Out</u> - \$620.467 into "Division of Tourism Supplemental Revenue Fund" by appropriation	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>
<b>DIVISION OF TOURISM SUPPLEMENTAL REVENUE FUND (0274)</b>			
<u>Transfer-In</u> - \$620.467 - appropriation from general assembly	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Revenue Gain</u> – \$620.467 - gifts, grants, contributions and other moneys	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs</u> - \$620.467 - the duties and administrative functions of Division of Tourism	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>ESTIMATED NEF EFFECT ON DIVISION OF TOURISM SUPPLEMENTAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

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

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

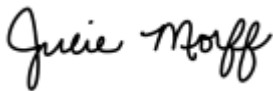
Current law establishes the Division of Tourism Supplemental Revenue Fund, and provides for appropriations to the fund from certain tourism-related taxes. The bill repeals this language and provides that the fund will consist of any moneys appropriated by the General Assembly and any gifts, contributions, grants, or bequests from federal, private, or other sources.

Currently, prior to each appropriation from the Fund, the Division of Tourism must present to the Committee on Tourism, Recreational and Cultural Affairs of the House of Representatives and to the Transportation and Tourism Committee of the Senate a promotional marketing strategy. This bill updates the committees to the Special Committee on Tourism of the House of Representatives and to the Economic and Workforce Development Committee of the Senate

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 Economic Development  
Office of the State Treasurer  
Department of Revenue  
Office of Administration – Budget & Planning  
Joint Committee on Administrative Rules  
Office of the Secretary of State  
Missouri House of Representatives  
Missouri Senate



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