

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5523H.04C
 Bill No.: HCS for HB 2886
 Subject: Internet and E-Mail; Utilities; Telecommunications
 Type: Original
 Date: March 25, 2026

Bill Summary: This proposal modifies provisions for the Broadband Grant Program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Oversight has reflected the cost associated with the extension of the sunset from June 30, 2027, to June 30, 2030, and an expansion in eligible projects. Oversight assumes the cost could reach the \$250,000 threshold.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§620.2450, 620.2451, 620.2454, 620.2456, and 620.2459 - Broadband Grant Program

Officials from the **Department of Economic Development** and **Joint Committee on Administrative Rules** each assume the proposal will have no fiscal impact on their organization.

The **Oversight Division** states they are responsible for providing a Sunset Report pursuant to Section 23.253 RSMo; however, Oversight will be able to absorb the cost with the current budget authority.

Oversight notes §620.2459 extends the sunset date from June 30, 2027, to June 30, 2030.

Oversight notes that the proposed changes appear to expand eligibility requirements, thereby allowing additional projects to apply for grant funding under the revised qualification parameters.

Therefore, Oversight will reflect an unknown cost to General Revenue in the fiscal note, as the number of newly eligible applicants and the potential redistribution of recovered funds cannot be determined at this time.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – (§§620.2450 - 620.2459)</u> Extension of the Sunset p.3	\$0	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost – (§§620.2450 - 620.2458)</u> Expansion of eligible projects p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

A direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions for the broadband grant program.

The Broadband Grant Program currently expires June 30, 2027. The bill extends the program through June 30, 2030.

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
Department of Revenue
Joint Committee on Administrative Rules
Oversight Division



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March 25, 2026



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March 25, 2026