

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6788H.03C  
 Bill No.: HCS for HB 3080  
 Subject: Economic Development; Department of Economic Development; Tax Credits  
 Type: Original  
 Date: March 10, 2026

Bill Summary: This proposal modifies the Historic Preservation Tax Credit and includes an emergency clause.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Historic Preservation Revolving Fund (1430)*	Up to (\$1,300,000)	Up to (\$1,300,000)	Up to (\$1,300,000)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>Up to (\$1,300,000)</b>	<b>Up to (\$1,300,000)</b>	<b>Up to (\$1,300,000)</b>

Oversight reflects DNR loss of revenue estimate.  
 Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<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 2027	FY 2028	FY 2029
<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 2027	FY 2028	FY 2029
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

§§253.544, 253.545, 253.550, 253.557, and 253.559 - Historic Preservation Tax Credit

Officials from the **Department of Revenue (DOR)** note:

§253.545 Historic Preservation Tax Credit:

For informational purposes only, DOR is providing the amount of credits authorized, issued and redeemed over the last several years.

Year	Authorized	Issued	Total Redeemed
FY 2025	\$248,887,459.37	\$82,962,092.02	\$98,813,468.35
FY 2024	\$138,889,780.24	\$114,590,574.32	\$69,207,931.28
FY 2023	\$149,870,361.07	\$68,752,030.02	\$97,637,448.50
FY 2022	\$127,701,891.25	\$119,310,869.31	\$106,311,497.14
FY 2021	\$108,876,422.99	\$113,974,281.81	\$118,211,637.42
FY 2020	\$134,740,008.39	\$108,648,413.83	\$88,487,136.31
FY 2019	\$149,232,242.59	\$95,790,454.95	\$54,566,148.49
FY 2018	\$151,542,287.87	\$37,275,810.30	\$56,483,070.00
FY 2017	\$154,152,769.59	\$85,136,858.50	\$49,742,926.72
FY 2016	\$90,749,410.21	\$59,590,350.87	\$57,496,338.08
FY 2015	\$97,136,286.75	\$53,206,337.42	\$47,638,885.69
FY 2014	\$146,635,428.72	\$41,791,636.18	\$59,829,670.95
FY 2013	\$93,923,651.90	\$71,495,993.81	\$78,483,650.67

This proposal would extend the date of which a project had to be approved to qualify for credits. That date moved from January 1, 2024, to January 1, 2026. DOR assumes moving this deadline would not have any additional fiscal impact.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

§§253.550.5 is modified, which may change the number of large scale projects that qualify for the credit. While this will not have a direct impact on TSR and GR as the program authorization cap is not changed, this provision could change credit utilization, which may have an indeterminate fiscal impact on GR cash flows.

Officials from the **Department of Natural Resources (DNR)** note:

§253.559.4(2), starting at line 97, states, “If the state historic preservation office approves the application for tax credits within the sixty-day determination period established in subdivision

(1) of this subsection, such office shall forward the application with any review comments to the National Park Service and shall forward any such review comments to the applicant. If such office fails to approve the application within the sixty-day determination period, such office shall forward the application without any comments to the National Park Service and shall have no further opportunity to submit any comments on such application.”

Similarly, §§253.559.10(1)(c) starting on line 259, states, “The state historic preservation office shall review each final application within sixty days and then forward the application to the National Park Service and send copies of any review comments to the applicant. If the state historic preservation office fails to review the application within sixty days, the application shall be forwarded without comments to the National Park Service and the state historic preservation office shall have no further opportunity to submit comments on such application.”

Both sections seem to impose a state statutory requirement on a federal program. Additionally, both sections potentially put the State Historic Preservation office (SHPO) in violation of the terms of their Historic Preservation Fund (HPF) Grant with the National Park Service (NPS). SHPO does not have the latitude to forward federal applications without comment to the NPS without their explicit approval. Doing so could be perceived by the NPS as a failure on the part of SHPO to perform its administrative functions as outlined in the HPF grant agreement and could put SHPO in jeopardy of continued receipt of its annual HPF grant. If a SHPO's performance is deemed inadequate, the HPF grant manual notes that serious breaches or failure to meet performance measures can negatively affect future grant applications and could lead to withholding, suspension, or termination of funds. The HPF is the primary funding source for SHPO's administrative and operational responsibilities. SHPO receives approximately \$1.3 million annually in HPF monies.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the estimated impact in the fiscal note for DNR.

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

#### 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 2027	FY 2028	FY 2029
<b>HISTORIC PRESERVATION REVOLVING FUN (1430)</b>			
<u>Revenue Loss – DNR (§§253.559 4.(2) and 253.559.10.(1)(c)) Non-compliance with federal guidelines p.4</u>	\$0 or <u>(\$1,300,000)</u>	\$0 or <u>(\$1,300,000)</u>	\$0 or <u>(\$1,300,000)</u>
<b>ESTIMATED NET EFFECT ON HISTORIC PRESERVATION FUND</b>	<b>\$0 or <u>(\$1,300,000)</u></b>	<b>\$0 or <u>(\$1,300,000)</u></b>	<b>\$0 or <u>(\$1,300,000)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027	FY 2028	FY 2029
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act modifies the Historic Preservation Tax Credit and includes an emergency clause.

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 Revenue  
 Office of Administration – Budget & Planning  
 Joint Committee on Administrative Rules  
 Office of the Secretary of State

L.R. No. 6788H.03C  
Bill No. HCS for HB 3080  
Page 6 of 6  
March 10, 2026

Department of Economic Development  
Department of Natural Resources



Julie Morff  
Director  
March 10, 2026



Jessica Harris  
Assistant Director  
March 10, 2026