

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 7334H.01I
 Bill No.: HB 3428
 Subject: State Departments; Treasurer, State; Appropriations
 Type: Original
 Date: March 11, 2026

Bill Summary: This proposal credits moneys remaining in expired funds to general revenue.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	More or Less than \$6,182,162	\$0	\$0
Total Estimated Net Effect on General Revenue	More or Less than \$6,182,162	\$0	\$0

*Oversight notes the impact results from the proposal requiring any remaining moneys in sixteen various state funds to be swept into the General Revenue Fund.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Various State Funds*	More or Less than (\$6,182,162)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	More or Less than (\$6,182,162)	\$0	\$0

*Oversight notes the impact results from the proposal requiring any remaining moneys in sixteen various state funds to be swept into the General Revenue Fund.

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

Officials from the **Office of Administration - Budget and Planning** state this proposal requires the balance of certain funds be transferred to GR on August 28, 2026.

Table 1 shows the impacted funds and any cash balance.

Table 1: Cash Balance by Fund

<u>Statute</u>	<u>Fund Name</u>	<u>Cash Balance¹</u>
32.383	Tax Amnesty	\$0.00
142.031	MO Qualified Biodiesel Producer Incentive	\$0.00
143.1009	Breast Cancer Awareness	\$0.00
143.1013	American Red Cross	\$0.79
143.1014	Puppy Protection ²	\$25,450.58
	Developmental Disabilities Waiting List	
143.1017	Equity	\$0.00
143.1026	Pediatric Cancer Research	\$131.79
143.1027	MO National Guard Foundation	\$18.10
161.1055	Trauma-Informed Schools Pilot Program	\$0.00
260.920	Dry-Cleaning Environmental Response	\$0.00
303.406	Motorist Insurance Identification Database	\$0.00
477.650	Basic Civil Legal Services ²	\$1,357,236.01
620.2100	Ozark Exploration Bicentennial	\$0.00
	Division of Tourism Supplemental	
620.467	Revenue ²	\$7,770,239.47
650.120	Cyber Crime Investigation	\$0.00
650.550	Economic Distress Zone	\$46,144.38
Total		\$9,199,221.12

¹Cash Balance as of 3/5/2026

²This fund is still in use.

B&P notes that three of these funds are still in use, with potential FY27 appropriations. If those funds were removed from this proposal, the transfer to GR would be \$46,295.06.

B&P estimates that under this proposal \$9,199,221 would be transferred into GR in FY27.

Officials from the **Department of Revenue (DOR)** state this proposal adds language to numerous state funds requiring that on August 28, 2026, that any funds in the delineated funds be swept to general revenue. This would result in a gain to general revenue and a zero balance in the designated funds.

Based on information received from the State Treasurer’s Office the following funds currently have the listed balance.

Fund Name	Fund Section	Fund Balance as of 6/30/2025	
Tax Amnesty	32.383	\$0	
MO Qualified Biodiesel Producer Incentive	142.031	\$0	
Breast Cancer Awareness	143.1009	\$0	Checkoff program
American Red Cross	143.1013	\$0.79	Checkoff program
Puppy Protection Trust	143.1014	\$27,317.70	Checkoff program
Developmental Disability Waiting List	143.1017	\$0	Checkoff program
Pediatric Cancer Research	143.1026	\$128.87	Checkoff program
MO National Guard Foundation	143.1027	\$2,369.33	Checkoff program
Trauma-Informed Schools Pilot program	161.1055	\$0	
Dry-Cleaning Environmental Response Trust	260.920	\$0	
Motorist Insurance Identification Database	303.406	\$0	
Basic Civil Legal Service	477.650	\$355,848.66	
Div of Tourism Supplemental Revenue	620.467	\$5,753,190.22	
Ozark Exploration Bicentennial Commission	620.2100	\$0	
Cyber Crime Investigation	650.120	\$0	
Economic Distress Zone	650.550	\$43,306.23	

While many of the funds on this list are state funds that hold money received by the state and contain appropriated dollars, the amounts in the funds listed as “checkoff program” are not state funds. The checkoff programs allow taxpayers who are entitled to a refund of their individual or corporate tax to donate their refund directly to a charity. These donated funds are put into a fund, and periodically (based on the language of the bill that created them) are sent on to the charity. This proposal would take taxpayer’s donated money and send it to general revenue instead.

The Puppy Protection Fund which is listed as a checkoff program is a fund that receives funds from taxpayers from their refunds. Per statute the State Treasurer is to transfer the money in that fund to the Department of Agriculture for use. DOR defers to the State Treasurer and Department of Agriculture for impact.

DOR will not be fiscally impacted by this proposal. The only fund in which we would administer is the Motorist Insurance Identification Database Fund which never received an appropriation.

Officials from the **Department of Economic Development (DED)** state although the Tourism Supplemental Revenue Fund has sunset, it continues to receive an appropriation of general revenue from the legislature. As such, it is not an “expired” fund, as the dollars continue to be utilized to support the operations of the Missouri Division of Tourism and Missouri Film Office.

Additionally, SB 1000 recently cleared the Senate on a 31-0 vote and has been First Read in the House. SB 1000 would re-authorize the Tourism Supplemental Revenue Fund. If SB 1000 is TAFP, the Tourism Supplemental Revenue Fund should be removed from consideration in HB 3428.

If SB 1000 is not TAFP and HB 3428 is TAFP, sweeping the Tourism Supplemental Revenue Fund would have a significant impact on the Cooperative Marketing program administered by the Division of Tourism. The program offers multiple avenues for communities to apply for matching funds related to marketing.

In the largest matching-funds program, for example, Destination Marketing Organizations (DMOs) utilize state funds to enhance and expand their campaigns to promote Missouri as a travel destination. These funds help local-level DMOs establish and maintain their marketing presence and bolster Missouri’s overall presence in approved markets.

Most of these campaigns take place in the state’s fourth quarter and are timed to support the summer travel season. Because the Division of Tourism’s matching funds program requires both proof of performance and proof of payment from participants, many of these bills come in after the close of the state’s fiscal year and are paid in the following fiscal year. In FY26, for example, the Division paid approximately \$3.2 million in Cooperative Marketing reimbursements using FY25 cash (and FY26 authority).

Sweeping the Supplemental Revenue Fund would eliminate cash that was obligated to support the program and would require the Division of Tourism to expend current FY funds to pay prior FY expenses. This would diminish the total of overall funds available to the Division of Tourism to support its existing marketing efforts and would result in less funding being distributed to community DMO partners from fiscal year to fiscal year.

This impact not only applies to the Cooperative Marketing Program (the Division’s largest grant program) but would impact any marketing placed by the Division in May and June but not billed until July or August due to proof of performance requirements.

Officials from the **Department of Mental Health (DMH)** state the only fund included for the DMH is the Developmental Disabilities Waiting List Equity Fund which currently has a zero

balance and no appropriation authority available; therefore, there is no anticipated impact to DMH.

Officials from the **Department of Public Safety-Office of the Director** state this proposal will have no fiscal impact. The two funds mentioned for that are associated with Department of Public Safety (650.120 and 650.550) are expired. Funds are not in use.

Officials from the **Missouri Department of Agriculture (MDA)** state Section 142.031 9 credits remaining money in Qualified Biodiesel Producer Incentive Fund to GR. There is \$0 in this fund. Section 143.1014 5 credits remaining money in the Puppy Protection Trust Fund to GR. There is \$27,858.00 in this fund. MDA utilizes this funding for the administration of canine cruelty prevention. RSMo 273.345.

Oversight notes this proposal would require on August 28, 2026, any moneys remaining in the following funds shall be credited to the General Revenue Fund. Oversight has listed the balance of these funds below according to the Fiscal Year End Fund report found on STO's website:

§32.383 – Tax Amnesty Fund (1470) – **\$0**
§142.031 – Missouri Qualified Biodiesel Producer Incentive Fund (1777) – **\$0**
§143.1009 – Breast Cancer Awareness Trust Fund (1915) – **\$0**
§143.1013 – American Red Cross Trust Fund (1987) – **\$0.79**
§143.1014 – Puppy Protection Trust Fund (1985) – **\$27,317.70**
§143.1017 – Developmental Disabilities Waiting List Equity Trust Fund (1986) – **\$0**
§143.1026 – Pediatric Cancer Research Trust Fund (1959) – **\$128.87**
§143.1027 – Missouri National Guard Foundation Fund (1494) – **\$2,369.33**
§161.1055 – Trauma-Informed Schools Pilot Program Fund (1944) – **\$0**
§260.920 – Dry-Cleaning Environmental Response Trust Fund (1898) – **\$0**
§303.406 – Motorist Insurance Identification Database Fund (1738) – **\$0**
§477.650 – Basic Civil Legal Services Fund (1757) – **\$355,848.66**
§620.467 – Division of Tourism Supplemental Revenue Fund (1274) – **\$5,753,190.22**
§620.2100 – Ozark Exploration Bicentennial Fund (1776) – **\$0**
§650.120 – Cyber Crime Investigation Fund (1912) – **\$0**
§650.550 – Economic Distress Zone Fund (1816) – **\$43,306.23**

Therefore, **Oversight** has reflected a transfer out of more or less than the current fiscal year end balance (\$6,182,162) of these funds to general revenue in FY 2027.

Officials from the **Department of Commerce and Insurance, Department of Elementary and Secondary Education, Department of Health and Senior Services, Office of the State Treasurer**, 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 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Transfer In - from Various State Funds</u> Remaining moneys in multiple funds to be swept into General Revenue p.6	More or Less than <u>\$6,182,162</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	More or Less than <u>\$6,182,162</u>	<u>\$0</u>	<u>\$0</u>
VARIOUS STATE FUNDS			
<u>Transfer Out – Remaining moneys in multiple funds to be swept into General Revenue p.6</u>	More or Less than <u>(\$6,182,162)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON VARIOUS STATE FUNDS	More or Less than <u>(\$6,182,162)</u>	<u>\$0</u>	<u>\$0</u>

<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

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

FISCAL DESCRIPTION

This bill states that on August 28, 2026, any moneys remaining in the following funds must be credited to the General Revenue fund:

1. Tax Amnesty Fund (Section 32.383)
2. Missouri Qualified Biodiesel Producer Incentive Fund (142.031)
3. Breast Cancer Awareness Trust Fund (143.1009)
4. American Red Cross Trust Fund (143.1013)
5. Puppy Protection Trust Fund (143.1014)
6. Developmental Disabilities Waiting List Equity Trust Fund (143.1017)
7. Pediatric Cancer Research Trust Fund (143.1026)
8. Missouri National Guard Foundation Fund (143.1027)
9. Trauma-Informed Schools Pilot Program Fund (161.1055)
10. Dry-Cleaning Environmental Response Trust Fund (260.920)
11. Motorist Insurance Identification Database Fund (303.406)
12. Basic Civil Legal Services Fund (477.650)
13. Division of Tourism Supplemental Revenue Fund (620.467)
14. Ozark Exploration Bicentennial Fund (620.2100)
15. Cyber Crime Investigation Fund (650.120)
16. Economic Distress Zone Fund (650.550)

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

Office of Administration - Budget and Planning
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Mental Health
Department of Revenue
Department of Public Safety-Office of the Director
Missouri Department of Agriculture
Office of the Secretary of State
Office of the State Treasurer
Joint Committee on Administrative Rules



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