

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0867-01  
Bill No.: HB 255  
Subject: Federal - State Relations  
Type: Original  
Date: February 18, 2015

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Bill Summary: This proposal specifies that any federal regulation or rule promulgated as a result of an executive order issued by the President of the United States must be declared invalid in Missouri and of no effect.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Agriculture**, the **Office of Administration**, the **Office of the State Courts Administrator**, the **Department of Economic Development**, the **Department of Higher Education**, the **Department of Transportation**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Department of Corrections**, the **Department of Revenue**, the **Department of Social Services**, the **Department of Public Safety**, the **Joint Committee on Administrative Rules**, the **Missouri Department of Conservation**, the **Missouri House of Representatives**, the **Office of Prosecution Services**, the **Office of the State Auditor**, the **Missouri Senate**, the **Office of the Secretary of State**, the **Office of the State Public Defender**, and the **Office of the State Treasurer** each assume the current proposal would not fiscally impact their respective agencies.

Officials from the **Department of Elementary and Secondary Education** cannot predict the impact from this proposal.

Officials at the **Department of Health and Senior Services** assume due to the unknown nature of what any executive orders might address, what federal regulations or rules would be promulgated based on such executive orders, or whether any such promulgated federal regulations or rules would be considered repugnant, it is not possible to determine whether there would be any impact on the Department.

Officials at the **Department of Elementary and Secondary Education** assume the language is not clear. The proposal appears to use the terms regulations and executive orders interchangeably. There is a significant difference between executive order and regulation. We cannot determine which regulations might be impacted by executive order. Depending upon how this proposal is interpreted, we could risk the loss of federal funds if the executive order places requirements on these funds and we do not comply. This proposal could have significant implications, especially at the local level due to waiver requirements. We cannot predict the ultimate interpretation of this language; however, the potential impact exceeds millions of dollars.

Officials from the **Department of Natural Resources** would not anticipate a direct fiscal impact from this proposal. This conclusion is based on the assumption federal agencies would not promulgate rules repugnant of the U.S. Constitution or that would jeopardize the state's primacy for implementing and enforcing the federal laws for which it currently is delegated. However, since this proposal has the potential to declare agencies' regulations and rules null and void, it could indirectly cause the department some impact on federal funds.

ASSUMPTION (continued)

**Oversight** assumes this proposal as written would not directly fiscally impact the State or its agencies. However, since this proposal has the potential to declare agencies' regulations and rules null and void, it could indirectly cause the loss of the agencies' federal funding.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

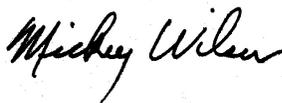
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Agriculture  
Department of Conservation  
Department of Corrections  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Higher Education  
Department of Transportation  
Department of Health and Senior Services  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Labor and Industrial Relations  
Department of Mental Health  
Department of Natural Resources  
Department of Public Safety  
Department of Revenue  
Department of Social Services  
Joint Committee on Administrative Rules  
Missouri House of Representatives  
Missouri Senate  
Office of Administration  
Office of the Secretary of State  
Office of the State Auditor  
Office of State Courts Administrator  
Office of the State Public Defender  
Office of State Treasurer  
Office of Prosecution Services



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