

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3570H.01I
Bill No.: HB 1584
Subject: Transportation; Motor Vehicles; Political Subdivisions
Type: Original
Date: January 6, 2022

Bill Summary: This proposal requires political subdivisions that require the installation of electric vehicle charging stations at certain businesses to pay the costs associated with the installation, maintenance, and operation of such stations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
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 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
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 2023	FY 2024	FY 2025
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Budget and Planning (B&P)** defers to the local governments for the fiscal impact. The legislation has no impact on TSR or the 18e calculation. However, establishing a mandate that political subdivisions that pass an ordinance requiring installation of electric charging stations must incur the installation and maintenance costs may violate the Hancock Amendment to the Missouri Constitution.

Officials from the **City of Springfield** anticipate a negative fiscal impact from this bill only if the City chooses to adopt an ordinance requiring the installation of electric vehicle charging stations at any nonautomotive fueling station business.

Oversight assumes this proposal would have no local fiscal impact without action taken by the governing body of the local political subdivision to adopt an ordinance, resolution, regulation, code or policy to enact this proposal. Until that action is taken by the local political subdivision, Oversight will assume a \$0 direct fiscal impact to local political subdivisions.

Officials from the **Department of Natural Resources (DNR)** state the bill text as written implies that if a political subdivision creates a new legal requirement for certain businesses to install electric vehicle charging stations, then the political subdivision that creates the requirement is responsible for all costs associated with installing, operating, and maintaining the charging station equipment.

DNR is not a political subdivision, therefore, the bill would have no fiscal impact on the Department. However, for awareness, DNR does offer grant funding from the Volkswagen Trust to businesses to install electric vehicle charging stations. The grant agreements typically include requirements for the installation of the station and for the businesses to operate and maintain the stations they install with the grant funds for a certain time period. Therefore, the grant agreements, while voluntarily entered into, do establish new requirements for charging stations that could potentially become subject to this bill. This means that, as written, the bill could potentially make such voluntary grant agreements illegal unless the grant covered 100% of the cost to install, operate, and maintain the stations.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for B&P and DNR.

Officials from the **Department of Economic Development**, the **Missouri Department of Agriculture**, the **Missouri Department of Transportation** and the **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight**

does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **City of Kansas City** 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities and counties were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

There could be a positive direct fiscal impact to small businesses if local political subdivisions adopt an ordinance, resolution, regulation, code or policy that requires installation of electric vehicle charging stations.

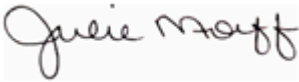
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

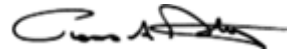
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - Budget and Planning
City of Springfield
Department of Natural Resources
Department of Economic Development
Missouri Department of Agriculture
Missouri Department of Transportation
Office of Administration
City of Kansas City



Julie Morff
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January 6, 2022



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Assistant Director
January 6, 2022