

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0409H.01I
Bill No.: HB 414
Subject: Business and Commerce; Motor Fuel; Taxation and Revenue - Sales and Use;
Counties
Type: Original
Date: March 7, 2023

Bill Summary: This proposal authorizes certain counties of the third classification to regulate, license, and impose a fee on filling stations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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

*Officials from the Department of Revenue (DOR) state this proposal does not provide information on who is to collect this new license fee. If New Madrid collects, this will not fiscally impact the DOR. If DOR collects, DOR may be allowed to retain the 1% collection fee. Oversight assumes any fiscal impact to the state would be minimal.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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 2024	FY 2025	FY 2026
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

§67.058 - New Madrid County Tax

Officials from **Department of Revenue (DOR)** assume this proposal will allow a county of the third classification with more than fifteen thousand seven hundred but fewer than seventeen thousand six hundred inhabitants and with a county seat with more than two thousand but fewer than three thousand inhabitants to create a tax on gasoline filling stations. Based on the description the DOR believes this is New Madrid County.

This proposal does require a vote of the people before it can be assessed. This does not provide information on who is to collect the tax so the DOR assumes that New Madrid would be responsible. If New Madrid collects the tax this will not fiscally impact the DOR.

Should the DOR be required to collect the tax, DOR would withhold the 1% collection fee. The DOR is unable to estimate the amount of funds that would be collected under this proposal.

Oversight does not have information to the contrary. Oversight assumes this proposal gives New Madrid County officials the authority to collect a license fee on gasoline filling stations and, upon voter approval, may base that fee on a percentage or dollar amount per gallon of gasoline or diesel sold or on the dollar amount of the rate charged for use of electric charging stations. Oversight is unclear of when this issue would go to a vote of the people and if it would pass, how many gasoline filling stations this would affect in New Madrid County and how much of a fee would be charged for this proposal. Therefore, **Oversight** will reflect a \$0 (no voter approval or fee) or positive unknown fiscal impact to general revenue and local political subdivisions for this proposal.

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.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Missouri Department of Agriculture** 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.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
GENERAL REVENUE			
<u>Revenue</u> – DOR – 1% collection fee	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
NEW MADRID COUNTY			
<u>Revenue</u> – on license fees charged at gasoline filling stations	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
ESTIMATED NET EFFECT ON NEW MADRID COUNTY FUNDS	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT – Small Business

Small businesses that operate gasoline stations could be impacted as a result of this proposal.

FISCAL DESCRIPTION

This bill authorizes that the governing bodies of any county of the third classification with more than 15,700 but fewer than 17,600 inhabitants and with a county seat with more than 2,000 but fewer than 3,00 inhabitants to regulate, license, and establish and collect a license fee on gasoline filling stations and, upon voter approval, base the license fee on a percentage or dollar amount per gallon of gasoline or diesel sold, or on a percentage or dollar amount of the rate charged for the use of electric charging stations per kilowatt hour, if applicable. Upon enactment this bill applies to New Madrid County.

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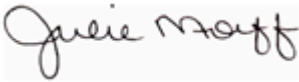
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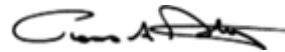
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Office of the Secretary of State
Missouri Department of Agriculture



Julie Morff
Director
March 7, 2023



Ross Strobe
Assistant Director
March 7, 2023