

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4659-02
Bill No.: HB 1525
Subject: Elections; Taxation and Revenue - General
Type: Original
Date: March 21, 2014

Bill Summary: This proposal specifies that no person shall be appointed to any public office if the person is delinquent in the payment of certain taxes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(\$40,398)	(\$41,356)	(\$41,783)
Total Estimated Net Effect on General Revenue Fund	(\$40,398)	(\$41,356)	(\$41,783)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1	1	1

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Revenue (DOR)** assume the legislation specifies that no person can be appointed to any public office if delinquent in state income tax, personal property tax, real estate tax, county or municipal taxes or user fees. Collections and Tax Assistance anticipates additional customer contacts on how to become compliant and seek additional payment plan requests. Collections and Tax Assistance requires one (1) Tax Collection Technician I for contact on the delinquent tax line and one (1) Revenue Processing Technician I for contacts to the field offices. Each technician requires CARES equipment and license. In total, DOR assumes a cost of approximately \$83,000 per year for these two FTEs.

Oversight assumes that the individuals who are being appointed are already compliant with their taxes. A no tax letter is needed for these individuals and can be requested from the Revenue Processing Technician I position. Therefore, Oversight will reflect the cost for this position.

Officials at the **City of Columbia** assume an unknown fiscal impact from this proposal.

Oversight assumes that the only time officials are appointed to public office is when there is a vacancy in an unexpired term. Therefore, cities and counties would not have many appointees to check and could absorb the costs with existing resources. Oversight additionally assumes that those appointed to the position would be compliant in paying their taxes and therefore this would not generate any additional income.

Officials at the **State Tax Commission** and the **Office of the Secretary of State** each assume no fiscal impact to their respective agencies from this proposal.

Officials at the **St. Louis County Board of Election Commission**, **St. Louis County**, the **Kansas City Board of Election Commission**, the **City of Jefferson**, the **City of Kansas City**, **Lincoln County**, the **Platte County Board of Election Commission** and **Cole County** each assume no fiscal impact to their respective organizations from this proposal.

Officials at the following counties: Andrew, Audrain, Barry, Bates, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cooper, DeKalb, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Officials at the following boards of election commissions: St. Louis City Board of Election Commission, Clay County Board of Election Commission and the Jackson County Board of Election Commission did not respond to **Oversight's** request for fiscal impact.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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GENERAL REVENUE FUND

<u>Costs - Department of Revenue (DOR)</u>			
Personal Service	(\$21,987)	(\$26,648)	(\$26,914)
Fringe Benefits	(\$11,214)	(\$13,592)	(\$13,727)
Equipment and Expense	(\$7,197)	(\$1,116)	(\$1,142)
<u>Total Costs - Department of Revenue</u>	<u>(\$40,398)</u>	<u>(\$41,356)</u>	<u>(\$41,783)</u>
FTE Change - DOR	1 FTE	1 FTE	1 FTE

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$40,398)</u>	<u>(\$41,356)</u>	<u>(\$41,783)</u>
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Estimated Net FTE Change for General Revenue Fund	1 FTE	1 FTE	1 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

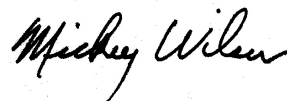
FISCAL DESCRIPTION

This bill specifies that a person cannot be appointed to any public office if he or she is delinquent in the payment of any state income taxes, personal property taxes, real property taxes on his or her place of residence, or any county or municipal taxes or user fees.

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 the Secretary of State
Department of Revenue
State Tax Commission
Cole County
Platte County Board of Election Commission
Lincoln County
City of Kansas City
Jefferson City
Kansas City Board of Election Commission
St. Louis County
St. Louis County Board of Election Commission
City of Columbia



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