

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1792-01  
Bill No.: Perfected HB 849  
Subject: Counties; State Auditor; County Government  
Type: Original  
Date: April 13, 2017

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Bill Summary: This proposal changes the laws regarding financial transaction reporting so that certain requirements of transportation development districts also apply to political subdivisions.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the State Auditor, Callaway County and St. Louis County** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **City of Kansas City** assume this proposal will have a possible negative fiscal impact of an indeterminate amount.

**Oversight** notes this proposal includes political subdivisions in the requirement that an annual report be submitted to the State Auditor. If the annual report is not submitted in a timely manner, the political subdivision is subject to a fine of \$500 per day. Oversight assumes that most political subdivisions will submit the annual report in a timely manner; therefore, Oversight will not reflect a fiscal impact for this proposal.

### House Amendment 1

Oversight notes House Amendment 1 allows county clerks and the State Auditor to communicate by electronic means regarding budget information.

Officials from the **Office of the State Auditor** assume the amendment will have no fiscal impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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

This bill requires the State Auditor's office to report any political subdivision failing to submit its annual financial statement to the Department of Revenue (DOR). The DOR will notify the non-compliant political subdivision, by certified mail, that it has 30 days from the postmarked date to submit the required statement to the State Auditor's office. If the statement is not received the political subdivision will be fined \$500 per day beginning on the 31st day from the postmarked date.

Currently, these provisions only apply to transportation development districts.

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

State Auditor's Office  
St. Louis County  
Callaway County  
City of Kansas City



Mickey Wilson, CPA  
Director  
April 13, 2017

Ross Strobe  
Assistant Director  
April 13, 2017