

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2101-01
Bill No.: HB 1016
Subject: Secretary of State; Economic Development; Department of Economic Development; Business and Commerce
Type: Original
Date: March 13, 2017

Bill Summary: This proposal changes the laws regarding the Small Business Regulatory Fairness Board so that the Secretary of State staff support the board instead of Department of Economic Development staff.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(\$37,719)	(\$45,614)	(\$45,970)
Total Estimated Net Effect on General Revenue	(\$37,719)	(\$45,614)	(\$45,970)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	1	1	1
Total Estimated Net Effect on FTE	1	1	1

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS), Division of Administrative Rules** state if the Small Business Regulatory Fairness Board will be housed in the Administrative Rules Division, it will cost approximately \$27,624 annually, which would be the cost of adding an administrative assistant to cover the duties of the Board. Those duties would include: posting meeting notices, attending board meetings and keeping the meeting minutes, keeping track of expense account reports, mailings to small businesses on behalf of the board, fielding phone calls, stamping in rules filed, preparing the board's annual report, etc. The person currently performing these duties at the Department of Economic Development would not be moved over. Therefore, the additional FTE would be necessary to handle the added duties to the Administrative Rules Division.

The SOS estimates a fiscal impact to the General Revenue Fund for FY18 of \$37,719; FY19 costs of \$45,914; and FY20 costs of \$45,970.

Officials from the **Department of Economic Development, Division of Business and Community Services** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE FUND			
<u>Costs - SOS (\$536.305)</u>			
Personal service	(\$23,020)	(\$27,900)	(\$28,179)
Fringe benefits	(\$14,699)	(\$17,714)	(\$17,791)
Total <u>Costs - SOS</u>	<u>(\$37,719)</u>	<u>(\$45,614)</u>	<u>(\$45,970)</u>
FTE Change - SOS	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$37,719)</u>	<u>(\$45,614)</u>	<u>(\$45,970)</u>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE

FISCAL IMPACT - Local Government

FY 2018
(10 Mo.)

FY 2019

FY 2020

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

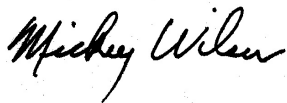
FISCAL DESCRIPTION

This bill provides that the Secretary of State, instead of the Department of Economic Development, shall provide staff support to the Small Business Regulatory Fairness Board.

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 Economic Development
Office of Secretary of State



Mickey Wilson, CPA
Director
March 13, 2017

Ross Strobe
Assistant Director
March 13, 2017