

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0891-01  
Bill No.: HB 227  
Subject: Courts; Judges  
Type: Original  
Date: February 3, 2009

---

Bill Summary: This legislation changes the laws regarding the Missouri Human Rights Act.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>       |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2010</b> | <b>FY 2011</b> | <b>FY 2012</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on General Revenue Fund</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>              |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2010</b> | <b>FY 2011</b> | <b>FY 2012</b> |
|   |                |                |                |
|   |                |                |                |
| <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 5 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                      |                      |                      |
|---|----------------------|----------------------|----------------------|
| <b>FUND AFFECTED</b>  | <b>FY 2010</b>       | <b>FY 2011</b>       | <b>FY 2012</b>       |
| Federal   | (\$1,029,400)        | (\$1,029,400)        | (\$1,029,400)        |
|   |                      |                      |                      |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>(\$1,029,400)</b> | <b>(\$1,029,400)</b> | <b>(\$1,029,400)</b> |

| <b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b> |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2010</b> | <b>FY 2011</b> | <b>FY 2012</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0</b>       | <b>0</b>       | <b>0</b>       |

- 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).

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2010</b> | <b>FY 2011</b> | <b>FY 2012</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

**FISCAL ANALYSIS**

ASSUMPTION

**Sections 213.010, 213.055, 213.070, 213.075, 213.111 & 1:**

Officials from the **Department of Economic Development, Office of Administration-Administrative Hearing Commission, Office of the State Courts Administrator, Department of Highways and Transportation, Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Conservation** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Office of the Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Department of Labor and Industrial Relations** assume the fiscal impact was calculated by using the current EEOC and HUD contract amounts. The total for Missouri Commission on Human Rights current contract with HUD equals \$368,900. The current contract amount with EEOC is currently \$660,500. HUD has already indicated a compliance issue with the new language. The fiscal impact at this time is \$1,029,400.

|   |                     |         |         |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2010<br>(10 Mo.) | FY 2011 | FY 2012 |
|---|---------------------|---------|---------|

**FEDERAL FUNDS**

Loss - Department of Labor and Industrial Relations

|                     |                      |                      |                      |
|---------------------|----------------------|----------------------|----------------------|
| HUD & EEOC Contract | <u>(\$1,029,400)</u> | <u>(\$1,029,400)</u> | <u>(\$1,029,400)</u> |
|---------------------|----------------------|----------------------|----------------------|

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

|  |                             |                             |                             |
|--|-----------------------------|-----------------------------|-----------------------------|
|  | <u><b>(\$1,029,400)</b></u> | <u><b>(\$1,029,400)</b></u> | <u><b>(\$1,029,400)</b></u> |
|--|-----------------------------|-----------------------------|-----------------------------|

FISCAL IMPACT - Local Government

|  |                     |         |         |
|--|---------------------|---------|---------|
|  | FY 2010<br>(10 Mo.) | FY 2011 | FY 2012 |
|--|---------------------|---------|---------|

|  |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | <u><b>\$0</b></u> | <u><b>\$0</b></u> | <u><b>\$0</b></u> |
|--|-------------------|-------------------|-------------------|

### FISCAL IMPACT - Small Business

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

### FISCAL DESCRIPTION

#### **Sections 213.010, 213.055, 213.070, 213.075, 213.111 & 1:**

The proposed legislation revises the definition of "discrimination" to an adverse action motivated by race, color, religion, national origin, ancestry, sex, age as it relates to employment, disability, or familial status as it relates to housing. The legislation also removes any person directly acting in the interest of an employer from the definition of "employer."

The maximum penalty that a person who has been adjudged to have violated one or more of the provisions regarding discrimination as it relates to the rental, sale, or financing of housing or commercial real estate within five years of the date of the filing of the complaint is increased from \$2,000 to \$3,000. The maximum penalty for a person adjudged to have committed one violation within five years of the date on which the complaint is filed is increased from \$5,000 to \$7,000. The maximum penalty for a person adjudged to have committed two or more prior violations within seven years of the date on which the complaint is filed is increased from \$10,000 to \$15,000.

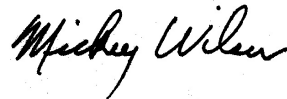
Courts cannot award punitive damages to state governmental agencies or corporations, including public school districts and political subdivisions.

The legislation specifies that in applying the provisions of the Human Rights Law it is the intent of the legislature to reject and abrogate *Daugherty v. City of Maryland Heights*, 231 S.W.3d 814 (Mo. 2007), *Cooper v. Albacore Holdings, Inc.*, 204 S.W.3d 238 (Mo. App. E.D. 2006), and *McBryde v. Ritenour School District*, 207 S.W.3d 162 (Mo. App. E.D. 2006), and all cases as they pertain to the discrimination standard defined by Section 213.010, RSMo, unlawful employment practices in Section 213.055, and unlawful discriminatory practices in Section 213.070.

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 Attorney General  
Office of Administration-Administrative Hearing Commission  
Office of the State Courts Administrator  
Department of Economic Development  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Labor and Industrial Relations  
Department of Highways and Transportation  
Department of Conservation



Mickey Wilson, CPA  
Director  
February 3, 2009