

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0197-04
Bill No.: HB 72
Subject: General Assembly; Ethics
Type: Original
Date: January 10, 2011

Bill Summary: Bars statewide elected officials and members of the general assembly elected for the first time on or after November 2, 2010, from lobbying for two years after leaving office.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

- 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 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Ethics Commission (MEC)** assume that prohibiting a member of the general assembly from acting, serving, or registering as a lobbyist for a specified period of time after leaving office would require the following of the MEC:

Provide information to public officials and the public as specified in the Commission duties in Section 105.491, 105.955.14 (4), RSMo., about the new statutory requirements; examples include providing education, developing informational materials, telephone and email assistance.

Provide oversight to ensure those individuals leaving the general assembly do not register as a lobbyist with the MEC for the specified period of time. This would entail reviewing lobbyist registrations, at the time of receipt by the MEC, and comparing them to those members of the general assembly who have left office within the specified period of time. For any individual submitting a registration and are not eligible to register or act as a lobbyist, create the necessary correspondence to the registrant and track the results of the correspondence.

Respond to written complaints, as established in Section 105.955.14, RSMo., through conducting investigations and the related legal actions. Any significant increase of complaints would result in needed additional Commission resources; at this time, it is anticipated the Commission can conduct these duties with the current resources.

The implementation of the above responsibilities would require the following additional resources:

One Business Analyst to conduct the routine work necessary in reviewing and providing oversight for the proposed legislation. The oversight would include reviewing the registrations, creating the correspondence, answering necessary correspondence and communication, and tracking the results. The Commission's current resource that assists all lobbyists with the monthly filing and bi-annual filings, answers all lobbyists questions, sends out all lobbyists late and non filer notices, handles the lobbyist annual registrations also provides the support for the Campaign Finance filers. This resource would be unable to provide any additional support for the increased work anticipated. Currently the Commission receives approximately 15,800 lobbyist reports annually.

The Commission would anticipate that changes or additions to the proposed language set forth in this bill may require additional associated costs for FTE, equipment, and expenses.

JH:LR:OD

ASSUMPTION (continued)

Oversight assumes that the proposed changes in section 105.452 prohibits certain elected officials from registering as a lobbyist for two years. It is unclear if the change would increase or decrease the number of individuals filing lobbyist reports. **Oversight** assumes the MEC should be able to absorb the cost of this proposal.

Officials at the **Missouri House of Representatives, Missouri Senate** and the **Office of the Governor** assume that there is no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<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

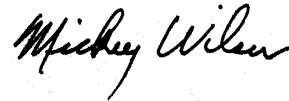
The proposed legislation appears to have no fiscal impact.

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

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SOURCES OF INFORMATION

Missouri Ethics Commission
Missouri House of Representatives
Missouri Senate
Office of the Governor

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, prominent "M" and "W".

Mickey Wilson, CPA
Director
January 10, 2011