

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5170-02
Bill No.: HB 1440
Subject: Lobbying; Campaign Finance; General Assembly; Public Officers
Type: Original
Date: February 21, 2014

Bill Summary: This proposal changes provisions relating to lobbying and campaign finance disclosure law.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

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 5 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
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 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Ethics Commission (MEC)** assume part of this proposal would prohibit a member of the general assembly from acting as a paid political consultant or becoming a lobbyist for a specified period of time.

Part of this proposal would require creation of a new reporting system to capture the lobbyist gifts greater than \$15 provided to the statewide elected officials, members of the general assembly, or any such official's staff, employees, spouse or dependent children. This requirement is estimated at \$35,280 for approximately 560 hours of system analysis, data programming, and system testing. Included in the 560 hours would also include the creation of a web search and portability for the general assembly's web developers to display the information.

Part of this proposal would require enhancing the current campaign finance electronic reporting to capture the additional contribution received information. This requirement is estimated at \$17,640 for 280 hours of system analysis, data programming, and system testing. The enhancement would capture the responsible party for the contribution, the five largest contributors to that committee in the previous filing period, and the aggregate amount contributed to that committee by each such contributor in the current election cycle.

If the Commission identifies significant violations during the process established in §105.955.14 (2), (3), RSMo or complaints received increase significantly an Investigator would be required to provide the proper oversight.

Oversight assumes the Missouri Ethics Commission has computer programmers on staff that are responsible for the creation and maintenance of the current lobbying and campaign finance websites. Those programmers should be able to make the necessary changes to the current computer programs to implement the requirements of this proposal. Therefore, Oversight assumes this proposal would not have a fiscal impact on the Missouri Ethics Commission.

Officials at the **Office of the Governor**, the **Office of the Lt. Governor**, the **Office of the State Auditor** and the **Office of State Treasurer** each assume there is no fiscal impact to their respective agencies from this proposal.

Officials at the **Office of Attorney General** submitted a response to Oversight but did not indicate a fiscal impact.

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<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.

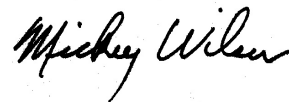
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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

Missouri Ethics Commission
Office of Attorney General
Office of the Governor
Office of the Lt. Governor
Office of the Secretary of State
Office of the State Auditor
Office of State Treasurer



Mickey Wilson, CPA
Director
February 21, 2014

Ross Strobe
Assistant Director
February 21, 2014