

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4596-01  
Bill No.: HB 1572  
Subject: Ethics; Lobbying  
Type: Original  
Date: December 14, 2015

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Bill Summary: This proposal imposes a ban on all lobbyist gifts for state and local elected officials.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>  |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                 | <b>FY 2017</b> | <b>FY 2018</b> | <b>FY 2019</b> |
|  |                |                |                |
| <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>              |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2017</b> | <b>FY 2018</b> | <b>FY 2019</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 4 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2017</b> | <b>FY 2018</b> | <b>FY 2019</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 2017</b> | <b>FY 2018</b> | <b>FY 2019</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 2017</b> | <b>FY 2018</b> | <b>FY 2019</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Missouri Ethics Commission (MEC)** assume §105.456.3 would prohibit a state or local elected official, or the spouses, dependent children, staff/employees of such official from accepting anything of value from lobbyist/lobbyist principal.

This change would require the MEC to do the following:

- Provide information to public officials and the public as specified in the Commission duties in §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 in adherence to the specific gift prohibition, including reviewing lobbyist reports as established in §105.959, RSMo. This oversight, it is assumed, would be primarily from receiving written complaints, as established in §105.955.14, RSMo, through conducting investigations and the related legal actions. It is assumed this prohibition would result in a minimal number of complaints; however, if this assumption is incorrect the Commission would require additional staff resources.

§105.473.13 would prohibit a lobbyist from delivering anything of value to a local or state elected official, or the spouses, dependent children, staff/employees of such official

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- Provide information to public officials and the public as specified in the Commission duties in §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 in adherence to the specific gift prohibition, including reviewing lobbyist reports as established in §105.959, RSMo. This oversight, it is assumed, would be primarily from receiving written complaints, as established in §105.955.14, RSMo, through conducting investigations and the related legal actions. It is assumed this prohibition would result in a minimal number of complaints; however, if this assumption is incorrect the Commission would require additional staff resources.

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| <u>FISCAL IMPACT - State Government</u> | FY 2017<br>(10 Mo.) | FY 2018    | FY 2019    |
|---|---------------------|------------|------------|
|   | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2017<br>(10 Mo.) | FY 2018    | FY 2019    |
|---|---------------------|------------|------------|
|   | <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.

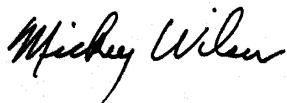
FISCAL DESCRIPTION

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



Mickey Wilson, CPA  
Director  
December 14, 2015

Ross Strobe  
Assistant Director  
December 14, 2015