

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1868-01
Bill No.: SB 452
Subject: Securities; Corporations; Banks and Financial Institutions
Type: Original
Date: March 7, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Division of Finance** and **Division of Credit Unions, Office of Attorney General**, and **Office of State Treasurer** assume this proposal will have no fiscal impact on their respective agencies.

Officials from the **Office of State Courts Administrator** stated there would be no fiscal impact on the Courts.

According to officials from the **Office of Secretary of State - Securities**, repeal of this statute could result in a conflict of interest for investment firms, legal firms offering bond counsel services, or any persons having an interest in any such firms who have been involved in the bond election, resulting in municipalities potentially paying more interest on the bonds. **Oversight** assumes the municipalities would negotiate to obtain the lowest rate possible on the bonds.

<u>FISCAL IMPACT - State Government</u>	FY 2006	FY 2007	FY 2008
	(10 Mo.)		
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<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.

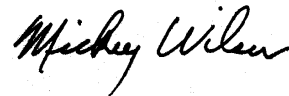
DESCRIPTION

This proposal repeals Section 409.107 which prohibits investment firms and legal firms offering bond services from being involved in the issuance of bonds authorized by an election in which the firm made a contribution to any campaign in support of the election.

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 State Treasurer
Office of Attorney General
Department of Economic Development
 Division of Finance
 Division of Credit Unions
Office of State Courts Administrator
Office of Secretary of State
 Division of Securities



Mickey Wilson, CPA
Director
March 7, 2005