

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0252-01
Bill No.: SB 389
Subject: Ethics; General Assembly; Lobbying
Type: Original
Date: March 4, 2009

Bill Summary: This proposal modifies provisions regarding public officials, lobbyists and campaign finance.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
General Revenue	(\$343,568)	(\$353,875)	(\$364,491)
Total Estimated Net Effect on General Revenue Fund	(\$343,568)	(\$353,875)	(\$364,491)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
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 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 21.145 Per Diem

Officials at the **Missouri House of Representatives** assume the current federal per diem rate for Jefferson City is \$109. The House is in session approximately 80 days. The reimbursement would increase \$3,553.40 per day. The estimated fiscal impact to the House is \$284,272 for the 163 Representatives.

Officials at the **Missouri Senate** assume an increase of \$741.20 per day. The estimated fiscal impact to the Senate is \$59,296 for the 34 Senators.

Remainder of bill

Officials at the **Office of Prosecution Services** assume no impact on the Office of Prosecution Services. The potential fiscal impact on county prosecuting attorneys will necessarily depend on the number of reports of improper financial transactions that are reported to any particular prosecutor for response.

Officials at the **Missouri Ethics Commission, Office of the State Courts Administrator, Office of the State Public Defender, Administrative Hearing Commission** and the **Missouri House of Representatives** assume that there is no fiscal impact from this proposal.

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 2010 (10 Mo.)	FY 2011	FY 2012
GENERAL REVENUE			
<u>Cost - MO House of Representatives</u> per diem increase	(\$284,272)	(\$292,800)	(\$301,584)
<u>Cost - MO Senate</u> per diem increase	<u>(\$59,296)</u>	<u>(\$61,075)</u>	<u>(\$62,907)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$343,568)</u>	<u>(\$353,875)</u>	<u>(\$364,491)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<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

This act modifies provisions regarding public officials, lobbyists and campaign finance.

Under this act, the per diem for Senators and Representatives is raised from 80% to 100%.

The act imposes certain disclosure and reporting requirements for certain public servants who are offered bribes.

Public officials and state employees are barred from lobbying while in an elected position or employed in the state and are further barred from lobbying for two years after leaving their respective office or employment.

Members of the General Assembly are barred from accepting meals, food, beverages, and other gifts from lobbyists but they may reimburse the lobbyist within 30 days of receiving knowledge of the indiscretion.

FISCAL DESCRIPTION (continued)

Lobbyists shall file supplemental reports documenting the name and address of each of their clients and the monetary value of all payments paid to the lobbyist. Lobbyists shall supply copies of all reports required by the ethics commission to each new client. Lobbyists shall notify clients when they enter a contract to represent a client with materially adverse interests.

Appeals for ethics complaints are directed to the circuit court of Cole County instead of the Administrative Hearing Commission.

Treasurers of committees may only act as such for one committee at a time.

This act reinstates the campaign contribution limits that were repealed in the previous legislative session. The limits are \$325 for candidates for the House of Representatives, \$650 for Senate candidates and \$1,275 for candidates for statewide office. Previously, candidate committees, exploratory committees, campaign committees, and continuing committees which were not political party committees were subject to the same contribution limits while political party committees are allowed to contribute a greater amount. This act holds political party committees to the same limits as all other committees.

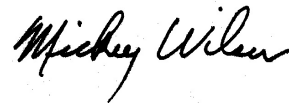
Continuing committees may not make contributions to any other committee.

Currently, reports for non-committee expenditures and expenditures for internal dissemination of certain information relating to candidates and ballot issues when made 14 days prior to the election must be filed within 48 hours of the expenditure. Under this act, such expenditures must be made within 24 hours of the expenditure when made 12 days prior to 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 Prosecution Services
Administrative Hearing Commission
Missouri Ethics Commission
Office of the State Courts Administrator
Office of the State Public Defender
Office of the Secretary of State
Missouri House of Representatives
Missouri Senate



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Director
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