

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0072-02  
Bill No.: HCS for SB 18  
Subject: Administration, Office of; Auditor; Education, Elementary and Secondary; State; Education, Higher; Elementary and Secondary Education Department; Federal-State Relations; Governor and Lt. Governor; State Departments  
Type: Original  
Date: April 30, 2013

Bill Summary: This proposal modifies provisions relating to public funds.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<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 8 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</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 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§ 33.087, 33.300 and 37.850 Missouri Accountability Portal

Officials at the **Office of Administration (OA)** assume that a consolidated approach would be the most cost effective manner of reporting and that this information be accumulated and reported on the Missouri Accountability Portal (MAP).

This approach would establish a new MAP database table into which agencies will either interface data or perform maintenance online. With this method, a new tab and web pages would be added to MAP to display the data by selecting a state agency or 'all'. The proposal does not specify whether only active grants should be reported or if closed grants should be retained for historical reporting purposes. If historical data is needed, selection criteria should be added to choose active, closed, or 'all' grants. The data would also be made available in the MAP download section.

It is estimated that the total cost would be \$26,860 (\$85 per hr \* 316 hrs) for IT consultants. It is assumed the cost could be absorbed unless the cumulative fiscal impact of legislation would require the request for additional funding.

**Oversight** assumes OA is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA could request funding through the appropriation process.

Officials at the **Office of Administration - Budget and Planning, Department of Agriculture, Department of Corrections, Department of Economic Development, Department of Health and Senior Services, Department of Higher Education, Department of Insurance, Financial Institutions and Professional Registration, Department of Labor and Industrial Relations, Department of Mental Health, Department of Natural Resources, Department of Public Safety** and the **Department of Revenue** each defer to the Office of Administration for fiscal impact.

Officials at the **Department of Social Services, Independence School District, Joint Committee on Administrative Rules, Metropolitan Community College, Missouri Department of Transportation, Missouri Highway Patrol, Missouri Southern State University, Missouri State University, Missouri Western State University, Office of the Governor, Office of Prosecution Services, Office of the State Auditor, Office of State**

ASSUMPTION (continued)

**Courts Administrator, Office of the State Public Defender, Office of State Treasurer, Parkway School District, Special School District, St. Louis County, University of Central Missouri** and the **University of Missouri** each assume there is no fiscal impact on their agency from this proposal.

Officials at the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Missouri Veterans Commission** assume if this proposal is implemented through OA, similar to the stimulus reporting, then there would be no impact to the Commission.

Officials at the **Department of Conservation** assume an unknown impact expected to be less than \$100,000. Current grants have binding language regarding use of federal funds and the necessary administration for those purposes.

Officials at the **City of Columbia** and the **City of Kansas City** assume they cannot specifically estimate the fiscal impact of this bill. Depending on the format and extent of information required, this new state mandate has the potential to add relatively little or significant expense for local governments. If there are existing reports that may be submitted, this might require relatively little work going forward.

Officials at the **Northwest Missouri State University** assume costs for salary and benefits of a person reporting all the bond information. The estimated costs for each fiscal year is \$2,925 in FY 2014, and \$1,150 in FY 2015 and FY 2016.

Officials at the **Blue Springs School District** assume a cost of \$250 to \$500 to supply the required bond information.

Officials at the **Moberly Area Community College** assume a cost of \$500 to \$1,000 annually.

Officials at the **City of Raytown** assume a cost of \$1,500 annually.

Officials at the **St. Joseph School District** assume a cost of \$10,000 annually.

Officials at the **Linn State Technical College** assume an unknown impact.

ASSUMPTION (continued)

**Oversight** assumes the political subdivisions, colleges and universities would be able to absorb any potential costs associated with this proposal.

§§ 164.146 and 164.151 School Bonding

In response to similar legislation filed this year (SB 169), the following responded:

Officials from the **Department of Elementary and Secondary Education** indicated no fiscal impact to their agency, but deferred to local school districts regarding any impact the requirements of this proposal might place on their districts.

Officials from the **Parkway School District, Francis Howell School District, and the Special School District of St. Louis County** each assume the proposal would not fiscally impact their respective school districts.

§ 34.378 Contingency Fee Contracts

The officials from the **Attorney General's Office** assume any potential cost arising from this proposal can be absorbed with existing resources.

Officials at the **Department of Agriculture, Department of Corrections, Department of Elementary and Secondary Education, Department of Higher Education, Department of Mental Health, Department of Revenue, Department of Social Services, Missouri Department of Transportation, Office of Administration, Office of the State Public Defender** and the **Office of State Treasurer** each assume there is no fiscal impact to their organization from this proposal.

In response to similar legislation filed this year, HB 851, the following responded:

Officials from the **Administrative Hearing Commission, Office of Administration - Budget and Planning, Office of the State Courts Administrator, Department of Economic Development, Department of Insurance, Financial Institutions and Professional Registration, Department of Health and Senior Services, Department of Labor and Industrial Relations, Department of Public Safety (Capitol Police & Division of Alcohol and Tobacco), Missouri Gaming Commission, Office of the Governor, Missouri Consolidated Health Care Plan, MoDOT & Patrol Employees' Retirement System, Joint Committee on Administrative Rules, Joint Committee on Public Retirement, Missouri Lottery Commission, Missouri Department of Conservation, Missouri Ethics Commission, Missouri Highway Patrol, Office of Prosecution Services, Office of the State Auditor, Missouri**

ASSUMPTION (continued)

**Senate, State Tax Commission** and the **Missouri Veterans Commission** assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Department of Natural Resources (DNR)** state the Office of the Missouri Attorney General directs all litigation to which the state, any agency or official is a party and represents the state's legal position at every level of trial and appellate courts. It is impossible to know the number of situations where the Office of the Attorney General would advise the department to retain outside counsel; therefore, the fiscal impact to the department from this proposal is unknown.

**Oversight** assumes DNR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DNR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DNR could request funding through the appropriation process.

Bill as a Whole

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 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<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

Blue Springs School District  
City of Columbia  
City of Kansas City  
City of Raytown  
Department of Agriculture  
Department of Conservation  
Department of Corrections  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Health and Senior Services  
Department of Higher Education  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Labor and Industrial Relations  
Department of Mental Health  
Department of Natural Resources  
Department of Public Safety  
Department of Revenue  
Department of Social Services  
Francis Howell School District  
Independence School District  
Joint Committee on Administrative Rules  
Linn State Technical College

JH:LR:OD

SOURCES OF INFORMATION (continued)

Metropolitan Community College  
Missouri Department of Transportation  
Missouri Highway Patrol  
Missouri Southern State University  
Missouri State University  
Missouri Veterans Commission  
Missouri Western State University  
Moberly Area Community College  
Northwest Missouri State University  
Office of Administration  
    Budget and Planning  
Office of Attorney General  
Office of the Governor  
Office of Prosecution Services  
Office of the Secretary of State  
Office of the State Auditor  
Office of State Courts Administrator  
Office of the State Public Defender  
Office of State Treasurer  
Parkway School District  
Special School District  
St. Joseph School District  
St. Louis County  
University of Central Missouri  
University of Missouri



Ross Strope  
Acting Director  
April 30, 2013