

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4042-02
Bill No.: Perfected HCS for HB 1085
Subject: Libraries and Archives; Telecommunications
Type: Original
Date: February 20, 2014

Bill Summary: This proposal expands library record privacy to include digital resources and materials and prohibits disclosure by third parties.

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 **Lincoln University**, the **Linn State Technical College**, the **Missouri Southern State University**, the **Missouri State University**, the **Office of State Courts Administrator**, the **University of Central Missouri** and the **University of Missouri** each assume there is no fiscal impact to their respective organizations from this proposal.

In response to the previous version of this proposal, officials at **Lawrence County**, **Lincoln County**, the **Missouri Western State University** and the **Office of the Secretary of State** each assumed there was no fiscal impact to their respective organizations from this proposal.

Officials at the **Office of Attorney General (AGO)** assumed this proposal requires the AGO to accept complaints regarding the privacy of certain library records, requires the AGO to review such complaints, and provides that the AGO may initiate legal action. The AGO is unable to estimate the number or nature of such complaints that it would receive, and therefore the costs are unknown.

Oversight assumes the Office of Attorney General can absorb the cost of this proposal with existing resources. Should they see an increase in the number of complaints as a direct result of this proposal they could seek additional resources through the appropriation process.

Officials at the **Northwest Missouri State University** assume no impact from the expansion of this legislation to include digital resources. However, a financial impact would be attorney fees and damages if a suit is filed against the library or institution in response to a violation.

In response to the previous version of this proposal, officials at **St. Louis County** assumed possible legal fees if a case is brought against their organization. Their digital resources are subscribed third party services. While they know of no practice of sharing content access per a given user by these third parties, the library trusts in these organizations to assure that their systems are secure and their code of privacy is followed.

In response to the previous version of this proposal, officials at the **Jefferson College** assumed the interpretation of "civil action" is vague and may cause the library to be liable even if third parties involved are at fault. This could have an unknown impact on the library.

ASSUMPTION (continued)

Oversight assumes the libraries will work to ensure that its vendors are following this proposal or find other vendors. Therefore, lawsuits from a lack of compliance with this proposal will be unwarranted. Oversight assumes no fiscal impact to libraries as a result of this proposal.

Officials at the following counties: Andrew, Audrain, Barry, Bates, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Kansas City Metro Community College, Moberly Area Community College, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College and the Truman State University did not respond to **Oversight's** request for fiscal impact.

| <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.

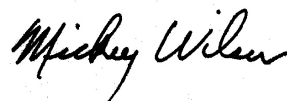
FISCAL DESCRIPTION

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

Jefferson College
Lawrence County
Lincoln County
Lincoln University
Linn State Technical College
Missouri Southern State University
Missouri State University
Missouri Western State University
Northwest Missouri State University
Office of Attorney General
Office of the Secretary of State
Office of State Courts Administrator
St. Louis County
University of Central Missouri
University of Missouri



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February 20, 2014

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February 20, 2014