

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4042-02
Bill No.: Truly Agreed To and Finally Passed HCS for HB 1085
Subject: Libraries and Archives; Telecommunications
Type: Original
Date: June 9, 2014

Bill Summary: This proposal expands library record privacy to include digital resources and adds a third party contracted by a library to the list of those who cannot release a library record.

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 **Office of Attorney General (AGO)** assume 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 **Linn State Technical College**, 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.

Officials at the **Mid-Continent Public Library** assume no expected savings, in general. However, this proposal should clarify responsible parties if confidentiality is breached. Accordingly, if a lawsuit is brought, libraries should be dismissed from the suit quickly, thus providing extensive savings in legal fees. However, not knowing the cost of such a case, it is impossible to predict the actual savings.

Officials at **St. Louis County** assume 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.

Officials at **Platte County** deferred to the Missouri State Library for fiscal impact.

Officials at the Office of the Secretary of State's Missouri State Library did not respond to **Oversight's** request for fiscal impact.

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.

ASSUMPTION (continued)

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, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, 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, Jefferson College, Kansas City Metro Community College, Lincoln University, Moberly Area Community College, Missouri Southern State University, Missouri Western State University, Northwest Missouri State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College and 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.

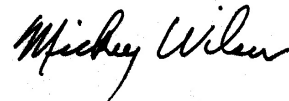
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Linn State Technical College
Mid-Continent Public Library
Missouri State University
Office of Attorney General
Office of State Courts Administrator
Platte County
St. Louis County
University of Central Missouri
University of Missouri

Not Responding

Office of the Secretary of State
Missouri State Library



Mickey Wilson, CPA
Director
June 9, 2014

Ross Strobe
Assistant Director
June 9, 2014