

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0986-01
Bill No.: SB 185
Subject: Office of Administration; Appropriations; General Assembly; Governor and Lt. Governor
Type: Original
Date: February 10, 2015

Bill Summary: This proposal modifies provisions relating to the state budget and fiscal notes.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	\$0	(\$100,000)	(\$100,000)
Total Estimated Net Effect on General Revenue	\$0	(\$100,000)	(\$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on Other 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 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

The requirements of Section 21.325 are already being fulfilled by the Missouri Senate. **Oversight** assumes that any costs to the Missouri House of Representatives to comply with this legislation will be taken out of the House Contingency Fund.

Officials from the **Joint Committee on Legislative Research - Oversight Division** assume the current proposal would not fiscally impact their agency.

Officials from the **Office of Administration - Budget and Planning (B&P)** state that they do not currently have the data or staff necessary to prepare the annual Tax Expenditure Report as required by Section 33.282.1. The Tax Expenditure Report has not been appropriated since FY09. At that time, the report was done by the Economic & Policy Analysis Research Center through contract with the University of Missouri-Columbia. B&P assumes the changes to this section would re-establish the report and require a new contract, at an estimated cost of \$100,000. B&P further assumes that the earliest the funding could be appropriated and a contract could be executed would be for FY17. B&P assumes the contractor would provide the report in a format that could be made available to the public.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE FUND			
<u>Expenses - Contract for Tax Expenditure Report (§33.282)</u>	<u>\$0</u>	<u>(\$100,000)</u>	<u>(\$100,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>(\$100,000)</u>	<u>(\$100,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal requires audio and video feeds of all committee hearings on appropriations bills to be made available on the websites of the General Assembly and the chamber holding the hearing.

Currently, fiscal notes accompanying legislation must project the cost of the bill over the next two years. This proposal requires a projection over the next five years or the period of time over which the bill is being phased in if such period is more than five years. The Oversight Division of the Committee on Legislative Research is also required to prepare an annual report detailing the cost to continue the same level of services of the current fiscal year into the next fiscal year.

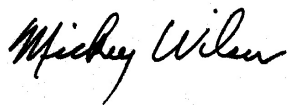
The Office of Administration is required to produce an annual tax expenditure report. This proposal requires the report to be made available to the public and in a format that is easy to understand.

This proposal creates the Consensus Revenue Estimate Committee which will create a consensus revenue estimate to be used in appropriations bills. The committee will be comprised of members of the General Assembly, executive department, and economists from several institutions around the state. The budgets produced by the Governor and the General Assembly must be based upon the committee's consensus revenue estimate formulated by the committee.

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

Joint Committee on Legislative Research - Oversight Division
Office of Administration - Budget and Planning



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