

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1095-02  
Bill No.: SB 179  
Subject: State Attorney General; Children and Minors; Elementary and Secondary Education; Fees; Department of Public Safety  
Type: Original  
Date: January 29, 2015

Bill Summary: This proposal establishes the Missouri Child Protection Registry.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue*	\$0	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Transfers In assumed to cover the expenses of the AGO of up to \$150,000.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Children's Protection Registry**	\$0	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*\* Fees from the registry assumed to be sufficient to cover cost of the program.

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 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
General Revenue	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>Up to 2 FTE</b>	<b>Up to 2 FTE</b>	<b>Up to 2 FTE</b>

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

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

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state they anticipate no fiscal impact based on the following assumptions:

- The Highway Patrol will contract with a qualified third party to establish, operate, and maintain the Missouri Child Protection Registry;
- Senders of prohibited messages are required to comply with the law by checking their mailing lists against registered contact points;
- A contact point is defined as any electronic identification to which messages can be sent and includes an instant message identity, a wireless telephone, a personal digital assistant, a pager number, a fax number, an email address, etc.
- A fee of seven-tenths of one cent will be charged per contact point checked. Eighty-five percent of the revenue received will be paid to the contractor, and not less than fifteen percent of the revenue received will be paid to the Attorney General to cover the cost of investigating, enforcing, and defending sections 650.700 to 650.730.

Officials from the **Attorney General's Office (AGO)** state this proposal allows the AGO to conduct investigations. The number of potential investigations is unknown. Whether the civil penalties collected by the AGO would be enough to fully address the financial resources needed to carry out the proposal is also unknown. The AGO anticipates the addition of 1FTE Assistant Attorney General 1 (at \$44,000 annually) and 1 FTE Investigator (at \$38,750 annually) to adequately address the intent of the proposal. The AGO may seek additional appropriations if the proposal results in a significant increase of cases. The AGO assumes a cost to the General Revenue Fund of the two FTE to total approximately \$150,000 annually.

**Oversight** will range the fiscal impact to the AGO as "up to" their estimates. Oversight will also assume that the fees allowed in Section 650.715 will be sufficient to cover the AGO expenses.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of disclosing information from the Child Protection Registry or sending a child an advertisement for gambling, liquor, tobacco or pornography.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases where the right to counsel attaches.

ASSUMPTION (continued)

**Oversight** assumes the SPD can absorb the additional caseload that may result from this proposal.

According to officials from the **Office of the Secretary of State (SOS)**, 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, we also recognize 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 our office can sustain with our core budget. Therefore, we reserve 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.

Officials from the **Joint Committee on Administrative Rules** state this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of Prosecution Services (OPS)** assume the proposal would not have a measurable fiscal impact on their agency. The creation of a new crime creates additional responsibilities for county prosecutors which may, in turn, result in additional costs which are difficult to determine.

Officials from the **Office of Administration** (divisions of **General Services, Purchasing and Materials Management, Accounting, and Information Technology Services Division**), the **Department of Corrections**, the **Office of the State Treasurer**, the **Department of Elementary and Secondary Education**, the **Office of the State Courts Administrator**, and the **Department of Social Services** each assume the proposal would not fiscally impact their respective agencies.

**Oversight** assumes the Missouri Highway Patrol will contract with a third party to establish and operate the registry. Oversight also assumes the third party will be paid for their services by the fees allowed in §650.715.2, which are deposited into the new Children's Protection Registry Fund. This section also states that not less than fifteen percent of the fees shall go to the

ASSUMPTION (continued)

Attorney General's Office to cover the cost of investigating, enforcing and defending this program. Oversight will reflect this as a transfer to the General Revenue Fund.

**This proposal will increase Total State Revenues.**

<u>FISCAL IMPACT - State Government</u>	FY 2016 (6 Mo.)	FY 2017	FY 2018
<b>GENERAL REVENUE FUND</b>			
<u>Transfer In</u> - from the Children's Protection Registry Fund	Unknown	Unknown	Unknown
<u>Costs</u> - Attorney General's Office	Up to	Up to	Up to
Personal Service (up to 2 FTE)	(\$68,958)	(\$83,578)	(\$84,413)
Fringe Benefits	(\$35,862)	(\$43,465)	(\$43,899)
Expense & Equipment	<u>(\$36,699)</u>	<u>(\$23,986)</u>	<u>(\$24,584)</u>
	(Up to	(Up to	(Up to
<u>Total Costs</u> - AGO	<u>\$141,519)</u>	<u>\$151,029)</u>	<u>\$152,896)</u>
FTE Change - AGO	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
Estimated Net FTE Change for the General Revenue Fund	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2016 (6 Mo.)	FY 2017	FY 2018
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**CHILDREN'S PROTECTION  
 REGISTRY FUND**

<u>Income</u> - §650.715 - persons desiring to send a message must pay a fee of 7/10 of 1¢ based upon the number of contact points checked against the registry	Unknown	Unknown	Unknown
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<u>Transfer Out</u> - to General Revenue - §650.715 allows not less than 15% of the fees to be used by the AGO to cover the cost of investigating, enforcing, and defending this program	(Unknown)	(Unknown)	(Unknown)
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<u>Costs</u> - DPS - MHP - contract with third party to administer the registry	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**ESTIMATED NET EFFECT TO THE  
 CHILDREN'S PROTECTION  
 REGISTRY FUNDS**

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (6 Mo.)	FY 2017	FY 2018
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Certain small businesses that send messages may be impacted by this proposal.

## FISCAL DESCRIPTION

This proposal requires the Department of Public Safety to establish and operate the Missouri Child Protection Registry composed of a secure list of contact points belonging or accessible to minors. Under this act, contact points may include instant messaging identities, wireless telephones, pagers, facsimiles, or email addresses. Parents, guardians, schools, and other entities may add contact points to the registry by registering such contact points with the Department of Public Safety. The registration shall last for 3 years, and can be revoked or renewed upon notification to the Department. The Department shall take certain steps as set forth in this act to ensure the security of the registry.

This act bans any person from sending a message to a contact point that has been registered for 30 days or more if the primary purpose of the message is to advertise or otherwise link to a message that advertises gambling, intoxicating liquor, tobacco products, vapor products, controlled substances, or material pornographic for minors. Sending such a message is not prohibited if certain procedures are followed as set forth in this act. The Department of Public Safety is also required to establish a mechanism for senders of such messages to verify compliance with the registry. If a person desires to send such a message, they shall pay the department a fee for access to the mechanism for verifying compliance at a rate of 7/10 of one cent for each time a contact is checked. Of the revenues generated, 85% shall be credited to the Child Protection Registry Fund created under this act, and at least 15% shall be allocated to the Attorney General to investigate, enforce, and defend this act.

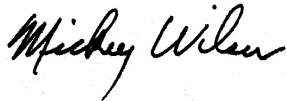
A person found to violate this act shall be guilty of a Class A misdemeanor. A person authorized to have personal information belonging to a minor obtained through the registry who knowingly discloses such information is guilty of a Class A misdemeanor. Additionally, civil action may be brought by certain individuals as set forth in this act, who may recover either actual damages or the lesser of \$5,000 for each message received by the recipient or transmitted or \$250,000 for each day the violation occurs.

This act shall become effective on January 1, 2016.

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

Department of Public Safety  
Attorney General's Office  
Department of Elementary and Secondary Education  
Office of Administration  
Office of the Secretary of State  
Joint Committee on Administrative Rules  
Office of the State Treasurer  
Department of Social Services  
Office of the State Courts Administrator  
Office of the State Public Defender  
Office of Prosecution Services  
Department of Corrections



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