

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4624-04
Bill No.: SB 643
Subject: Ethics
Type: Original
Date: December 14, 2015

Bill Summary: This proposal modifies provisions of law relating to ethics.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Ethics Commission (MEC)** assume §105.453.1 would prohibit a statewide elected official, member of the general assembly or paid employee of general assembly from acting, serving, or registering as a lobbyist for a specified period of time after leaving office.

This change would require the MEC to do the following:

- Provide information to public officials and the public as specified in the Commission duties in §105.491, 105.955.14 (4), RSMo, about the new statutory requirements; examples include providing education, developing informational materials, telephone and email assistance.
- Provide oversight to ensure those individuals leaving the general assembly do not register as a lobbyist with the MEC for the specified period of time. This would entail reviewing lobbyist registrations, at the time of receipt by the MEC, and comparing them to those members of the general assembly who have left office within the specified period of time. For any individual submitting a registration and are not eligible to register or act as a lobbyist, create the necessary correspondence to the registrant and track the results of the correspondence.
- Respond to written complaints, as established in §105.955.14, RSMo, through conducting investigations and the related legal actions. Any significant increase of complaints would require additional Commission resources, including investigative staff.

§105.453.2 requires any public official registering as a lobbyist to dissolve their candidate committee and allows funds to be returned to the contributor, donated to nonprofit entity, or transferred to candidate or political party committee.

This change would require the MEC to do the following:

- Provide information to public officials and the public as specified in the Commission duties in §105.491, 105.955.14 (4), RSMo, about the new statutory requirements; examples include providing education, developing informational materials, and fielding telephone and email questions.
- Provide oversight in adherence to the dissolution of the committee and disbursement of the funds as outlined in §105.453, including reviewing campaign finance reports as established in §105.955.14 (2), (3), RSMo. Any significant increase in lobbyist registering with active candidate committees would require additional Commission resources, including reporting analyst staff.

ASSUMPTION (continued)

- Respond to written complaints, as established in §105.955.14, RSMo, through conducting investigations and any legal actions arising from those investigations. Any significant increase in complaints would require additional Commission resources, including investigative staff.

§105.456.3 would prohibit any member of the general assembly, statewide office holder, or such officials staff, employee, spouse, dependent children from accepting anything of value.

This change would require MEC to do the following:

- Provide information to public officials and the public as specified in the Commission duties in §105.491, 105.955.14 (4), RSMo, about the new statutory requirements; examples include providing education, developing informational materials, and fielding telephone and email questions.
- Respond to written complaints, as established in §105.955.14, RSMo, through conducting investigations and any legal actions arising from those investigations. Any significant increase in complaints would require additional Commission resources, including investigative staff.

In summary, MEC assumes this proposal would result in a minimal number of complaints; however, if this assumption is incorrect the Commission would require additional staff resources.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

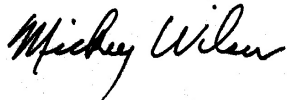
FISCAL DESCRIPTION

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

Missouri Ethics Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
December 14, 2015

Ross Strobe
Assistant Director
December 14, 2015