

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1111-03
Bill No.: SCS for SB 252
Subject: Civil Rights; Employees - Employers; Religion
#Type: Updated
Date: March 1, 2017
#Updated information from Department of Labor and Industrial Relations.

Bill Summary: This proposal modifies exemption for certain religious entities under the Missouri Human Rights Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
#Federal Funds	\$0 to (\$1,201,900)	\$0 to (\$1,201,900)	\$0 to (\$1,201,900)
#Total Estimated Net Effect on <u>All</u> Federal Funds	\$0 to (\$1,201,900)	\$0 to (\$1,201,900)	\$0 to (\$1,201,900)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
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 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

#Officials at the **Department of Labor and Industrial Relations** assumed this proposal would have a negative fiscal impact to their organization based on the following information:

#Conformity issues with the Equal Employment Opportunity Commission (EEOC) and the U. S. Department of Housing and Urban Development (HUD) are possible. These federal agencies have determined that the Missouri Human Rights Act is substantially equivalent to the federal civil rights laws they enforce.

#If the EEOC and/or HUD were to determine Missouri was not in conformity with federal requirements, the MCHR could lose the ability to continue contracting with the EEOC for \$781,900 and/or HUD for \$420,000. The combined loss of \$1,201,900 would eliminate funding for 21.4 of MCHR's 32.7 FTE. MCHR could lose all of the federally funded FTE, 65% of its staff. Losing 65% of its employees would seriously compromise MCHR's ability to carry out its statutory mission properly. A backlog of complaints would most likely develop.

#The fiscal impact to MCHR was calculated using the current EEOC and HUD contract amounts.

#The fiscal impact shown to Federal Funds for FY2018, FY2019, FY2020 is \$0 to (\$1,201,900) for each of the three fiscal years.

Officials at the **Office of Administration - Administrative Hearing Commission**, the **Office of Administration - General Services**, the **Office of Administration - Personnel**, the **Office of Administration - Budget and Planning**, the **State Auditor's Office**, the **Missouri Ethics Commission**, the **Department of Public Safety - Gaming Commission**, the **Lieutenant Governor's Office**, the **Department of Health and Senior Services**, the **Joint Committee on Administrative Rules**, the **Joint Committee on Public Employee Retirement**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the **Missouri State Employees' Retirement System**, the **State Highway Employees Retirement System**, the **Office of Prosecution Services**, the **State Public Defender's Office**, the **Department of Revenue**, the **Office of Secretary of State**, the **Office of State Courts Administrator**, the **Missouri Tax Commission**, the **State Treasurer's Office**, the **Department of Public Safety - Alcohol and Tobacco**, the **Department of Public Safety - Fire Safety Division**, and the **Department of Public Safety - Missouri Veterans Commission** each assume this proposal will not have a fiscal impact on their respective organizations.

ASSUMPTION (continued)

#In response to a previous version of this proposal (1111-02), officials at the **Department of Agriculture**, the **Attorney General's Office**, the **Department of Conservation**, the **Department of Corrections**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Governor's Office**, the **Department of Higher Education**, the **Missouri House of Representatives**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Missouri Senate**, the **Department of Social Services**, the **Department of Transportation**, the **Department of Public Safety - Director's Office**, the **Department of Public Safety - Capitol Police**, and the **Department of Public Safety - Highway Patrol** each assumed the proposal would not have a fiscal impact on their respective organizations.

#Removed Department of Labor and Industrial Relations from this group of state agencies that responded this proposal would not have a fiscal impact on their organization.

Officials at the **City of Kansas City** assume this proposal would not have a fiscal impact on their organization.

In response to a previous version of this proposal (1111-02), officials at **Callaway County** assumed the proposal would not have a fiscal impact on their organization.

Officials at the **Missouri Western State University**, the **Northwest Missouri State University**, and the **University of Missouri** each assume this proposal will not have a fiscal impact on their respective organizations.

In response to a previous version of this proposal (1111-02), officials at the **Metropolitan Community College**, the **Missouri State University**, the **State Technical College of Missouri**, and the **Truman State University** each assumed the proposal would not have a fiscal impact on their respective organizations.

Officials at the school districts of **Kansas City** and **West Plains R-VII** each assume this proposal will not have a fiscal impact on their respective organizations.

In response to a previous version of this proposal (1111-02), officials at the school districts of **Forsyth R-III**, **Kirksville R-III**, and **Pettis County R-XII** each assumed the proposal will not have a fiscal impact on their respective organizations.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Columbia, Dardenne Prairie, Des Peres, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin,

ASSUMPTION (continued)

Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, Shelby, St. Charles, St. Louis, 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, Lincoln University, Moberly Area Community College, Missouri Southern State University, Missouri Western State University, Southeast State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College, and the University of Central Missouri did not respond to **Oversight's** request for fiscal impact.

Officials at the following school districts: Arcadia Valley R-2, Aurora R-8, Avilla R-13, Bakersfield, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, Brentwood, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Cassville R-4, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, East Newton R-6, Eldon R-I, Everton R-III, Fair Grove, Fair Play, Fayette R-3, Fox C-6, Fredericktown R-I, Fulton, Grain Valley, Hancock Place, Hannibal, Harrisonburg R-8, Harrisonville, Hillsboro R-3, Hollister R-5, Humansville R-4, Hurley R-1, Independence, Jefferson City, Kearney R-1, Kennett #39, King City R-1, Kingston 42, Kirbyville R-VI, Laclede County R-1, Laredo R-7, Lee Summit, Leeton R-10, Lewis County C-1, Lindbergh, Lonedell R-14, Macon County R-1, Macon County R-4, Malta Bend, Mehville, Mexico, Middle Grove C-1, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osage County R-II, Osborn R-O, Parkway, Pattonville, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Richland R-1, Riverview Gardens, Salisbury R-4, Sarcoxie R-2, Scotland County R-I, Sedalia, Seymour R-2, Shelby County R-4, Shell Knob #78, Sikeston, Silex, Slater, Smithville R-2, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Tipton R-6, Valley R-6, Verona R-7, Warren County R-3, Warrensburg R-6, Webster Groves, Westview C-6 and the Wright City R-2 School District did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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#FEDERAL FUNDS

#Loss - MCHR

Potential loss of federal EEOC and HUD money	\$0 or <u>(\$1,201,900)</u>	\$0 or <u>(\$1,201,900)</u>	\$0 or <u>(\$1,201,900)</u>
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#ESTIMATED NET EFFECT ON FEDERAL FUNDS	\$0 or <u>(\$1,201,900)</u>	\$0 or <u>(\$1,201,900)</u>	\$0 or <u>(\$1,201,900)</u>
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#Added the impact to Federal Funds as indicated in response from the Department of Labor and Industrial Relations.

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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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

#Under current law, corporations and associations owned and operated by religious or sectarian groups are exempted from the Missouri Human Rights Act. This act exempts corporations or associations owned or operated by religious or sectarian organizations.

#Added summary of the proposal due to the Department of Labor and Industrial Relations' response changed the fiscal note from zero impact to a negative 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

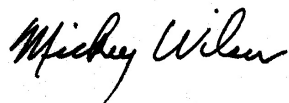
- Office of Administration - Administrative Hearing Commission
- Office of Administration - General Services
- Office of Administration - Personnel
- Office of Administration - Budget and Planning

SOURCES OF INFORMATION (continued)

Department of Agriculture
Attorney General's Office
State Auditor's Office
Department of Conservation
Department of Corrections
Department of Economic Development
Department of Elementary and Secondary Education
Missouri Ethics Commission
Department of Public Safety - Gaming Commission
Governor's Office
Lieutenant Governor's Office
Department of Health and Senior Services
Department of Higher Education
Missouri House of Representatives
Department of Insurance, Financial Institutions and Professional Registration
Joint Committee on Administrative Rules
Joint Committee on Public Employee Retirement
Department of Labor and Industrial Relations
Missouri Lottery Commission
Department of Mental Health
Missouri Consolidated Health Care Plan
Missouri State Employees' Retirement System
State Highway Employees Retirement System
Department of Natural Resources
Office of Prosecution Services
State Public Defender's Office
Department of Revenue
Missouri Senate
Office of Secretary of State
Department of Social Services
Office of State Courts Administrator
Missouri Tax Commission
State Treasurer's Office
Department of Transportation
Department of Public Safety - Alcohol and Tobacco
Department of Public Safety - Director's Office
Department of Public Safety - Capitol Police
Department of Public Safety - Fire Safety Division
Department of Public Safety - Highway Patrol
Department of Public Safety - Missouri Veterans Commission

SOURCES OF INFORMATION (continued)

City of Kansas City
Callaway County
Metropolitan Community College
Missouri State University
Missouri Western State University
State Technical College of Missouri
Truman State University
Northwest Missouri State University
University of Missouri
School Districts of:
Forsyth R-III
Kansas City
Kirksville R-III
Pettis County R-XII
West Plains R-VII



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March 1, 2017

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