

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6640-01
Bill No.: SB 1039
Subject: Administrative Rules
Type: Original
Date: March 2, 2018

Bill Summary: This proposal modifies the process for promulgation of an emergency rule by a state agency.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue Fund	(\$16,712)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$16,712)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to a similar proposal from 2017 (SB 468), officials from the **Office of the Secretary of State (SOS)** assumed this proposal would require the SOS develop new information for the SOS page for emergency rules to list emergency rules filed as soon as practicable and develop an email notification process to notify anyone who signs up to be notified of such rules. SOS would also now publish fiscal notes for emergency rules along with the emergency rule. We estimate that this change would result in an additional 160 pages being printed in the Missouri Register at a cost of \$23 per page. IT SOS development cost of \$16,712 to rebuild the e-mail notification system will also be required.

Oversight assumes SOS is provided with core funding to handle a certain amount of activity each year. Oversight assumes SOS could absorb some of the costs related to this proposal; therefore, Oversight will reflect a fiscal impact of \$16,712 for IT services in FY 2019.

Officials from the **Joint Committee on Administrative Rules** assume the change to section 536.025.9 to make an emergency rule be effective not less than 10 days after the secretary of state complies with the provisions of subdivisions (2) and (3) of subsection 3 will make the date the emergency rule becomes effective uncertain. The Secretary of State is required to perform those provisions as soon as practicable. It may result in an unintended gap between the emergency rule expiration and the effective date of the proposed rule even if they are filed at the same time.

This legislation is not anticipated to cause a fiscal impact to the Joint Committee on Administrative Rules beyond its current appropriation.

Officials from the **Department of Agriculture, Department of Economic Development (Public Service Commission, Office of the Public Council, and the Division of Energy), Department of Elementary and Secondary Education, Department of Health and Senior Services, Department of Insurance, Financial Institutions and Professional Registration, Department of Mental Health, Department of Natural Resources, Department of Corrections, Department of Public Safety (Office of the Director, Capitol Police, Alcohol & Tobacco Control, Fire Safety, Gaming Commission, State Emergency Management Agency and the Veterans Commission) Department of Social Services, Joint Committee on Administrative Rules, Missouri Lottery Commission, Missouri Consolidated Health Care Plan, Missouri Ethics Commission, Department of Transportation, Office of Prosecution Services, Missouri State Employee's Retirement System, MoDOT & Patrol Employees' Retirement System, Office of Administration (Budget and Planning), Missouri Senate, Office of the State Public Defender, Office of the State Treasurer**

ASSUMPTION (continued)

and the **State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a similar proposal from last year (SB 468), officials from the **Department of Revenue, Department of Higher Education, Office of the State Courts Administrator, Department of Public Safety - Missouri Highway Patrol, Office of Administration - Administrative Hearing Commission, Office of the Governor, Missouri House of Representatives, Missouri Department of Conservation and Office of the Lieutenant Governor** each assumed the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE			
<u>Cost - SOS - IT Services</u>	<u>(\$16,712)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$16,712)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<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

This act requires any state agency that promulgates an emergency rule to complete a fiscal note if such rule would require an expenditure of public funds or an expenditure by a private entity. Such fiscal note shall be filed with the Secretary of State and the Joint Committee on Administrative Rules prior to the adoption of the rule.

FISCAL DESCRIPTION (continued)

As soon as practicable after an agency files an emergency rule, the Secretary of State shall publish certain materials related to the rule in the Missouri Register, email such materials to persons who have registered to be notified of the agency's actions, and publish such materials on the Secretary of State's website.

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

Attorney General's Office
Department of Agriculture
Department of Economic Development
 Public Service Commission
 Office of the Public Council
 Division of Energy
Department of Elementary and Secondary Education
Department of Higher Education
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Revenue
Department of Public Safety
 Office of the Director
 Division of Alcohol and Tobacco Control
 Capitol Police
 Fire Safety
 Missouri Gaming Commission
 Missouri Highway Patrol
 State Emergency Management Agency
 Veterans Commission
Department of Social Services
Office of the Governor
Joint Committee on Administrative Rules
Missouri Lottery Commission
Missouri Consolidated Health Care Plan

SOURCES OF INFORMATION (continued)

Missouri Department of Conservation
Missouri Ethics Commission
Missouri House of Representatives
Office of the Lieutenant Governor
Department of Transportation
Office of Prosecution Services
Missouri State Employee's Retirement System
MoDOT & Patrol Employees' Retirement System
Office of Administration
 Administrative Hearing Commission
 Budget and Planning
Office of the State Courts Administrator
Office of the State Auditor
Missouri Senate
Office of the Secretary of State
Office of the State Public Defender
Office of the State Treasurer
State Tax Commission

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