

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0947-02
Bill No.: SB 209
Subject: Credit and Bankruptcy; Employees-Employers; Department of Labor and Industrial Relations
Type: Original
Date: March 5, 2019

Bill Summary: This proposal prohibits the use of an employee or prospective employee's credit score as a condition of employment.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration(OA)-Division of Personnel (DOP)** assume the proposal prohibits employers, including state agencies, from requiring that employees consent to a request for a credit report. It creates an exception for positions with "fiduciary duties," but does not define that term.

DOP assumes that this proposal will have no fiscal impact as OA does not routinely conduct credit checks on employees, and DOP assumes OA's practice will not change because of this proposal. DOP also assumes that other state agencies will continue to handle credit checks for their own employees and be responsible for making the determination of what constitutes "fiduciary duties," if they choose to conduct credit checks.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration, Missouri Department of Conservation, Department of Transportation, and Department of Labor and Industrial Relations** each assume the proposal will have no fiscal impact on their organization.

Officials from the **City of Kansas City, City of Columbia, and City of Keytesville** each assume the proposal will have no fiscal impact on their organization.

Oversight notes that the Office of Administration-Division of Personnel, Department of Insurance, Financial Institutions and Professional Registration, Missouri Department of Conservation, Department of Transportation, Department of Labor and Industrial Relations, City of Kansas City, City of Columbia, and City of Keytesville have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities and counties were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<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

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

Office of Administration-Division of Personnel
Department of Insurance, Financial Institutions and Professional Registration
Missouri Department of Conservation
Department of Transportation
Department of Labor and Industrial Relations
City of Kansas City
City of Columbia
City of Keytesville



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