

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1757-02  
Bill No.: SCS for SB 328  
Subject: Administrative Rules; State Departments  
Type: Original  
Date: March 11, 2019

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Bill Summary: This proposal modifies the administrative rulemaking process by state agencies

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	\$24,798	\$29,758	\$29,758
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$24,798</b>	<b>\$29,758</b>	<b>\$29,758</b>

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

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</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 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume publishing costs in calendar year 2018 for the *Missouri Register* was \$11,374 while register subscription fees totaled \$3,256. Publishing cost for Code updates in 2018 was \$18,312 plus an additional shipping cost of \$9,698 for a total cost of \$28,010. Code subscription fees were \$6,370. FY 2020 cost savings lower due to late August effective date.

**Oversight** notes that the SOS has stated the proposal would have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a net savings of \$24,798 in FY 2020, and \$29,758 in FY 2021 and FY 2022 on the fiscal note.

**Oversight** notes Section 536.033. states copies of the register or code shall be available to public by SOS upon request for a reasonable charge not to exceed the actual cost. All fees collected by SOS from the sale shall be deposited to general revenue.

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

**Oversight** assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

Officials from the **Department of Labor and Industrial Relations, Department of Insurance, Financial Institutions and Professional Registration, Department of Public Safety-State Emergency Management Agency, Missouri Ethics Commission, Department of Transportation, Department of Natural Resources, Department of Corrections, Missouri State Employees' Retirement System, Department of Public Safety-Fire Safety, Department of Health and Senior Services, Department of Elementary and Secondary Education, Department of Public Safety-Missouri National Guard, Office of the Governor, Missouri Department of Conservation, Department of Revenue, Missouri Tax Commission, Office of Administration, Missouri Consolidated Health Care Plan, State Auditor's Office, Department of Public Safety-Capitol Police, Missouri Senate, Legislative Research, Office of State Courts Administrator, Department of Agriculture, Office of the State Public Defender, Missouri Lottery Commission, Department of Public Safety-Gaming Commission, Department of Social Services, Department of Mental Health, Department of Public Safety-Missouri State Highway Patrol, Office of Administration-Budget and**

ASSUMPTION (continued)

**Planning, Department of Higher Education, Office of the State Treasurer, and Office of Prosecution Services** each assume the proposal will have no fiscal impact on their organization.

In response to a previous version, officials from the **Department of Economic Development, Department of Public Safety-Veterans Commission, Office of Administration-Administrative Hearing Commission, Missouri House of Representatives, Department of Public Safety-Division of Alcohol and Tobacco Control, Department of Public Safety-Office of Director, and Attorney General's Office** each assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** notes that the Department of Labor and Industrial Relations, Department of Economic Development, Office of the State Treasurer, Department of Public Safety-Veterans Commission, Department of Transportation, State Auditor's Office, Office of Administration-Budget and Planning, Office of Administration-Administrative Hearing Commission, Department of Public Safety-Missouri National Guard, Department of Revenue, Department of Mental Health, Department of Insurance, Financial Institutions and Professional Registration, Department of Corrections, Missouri House of Representatives, Missouri Ethics Commission, Department of Public Safety-Missouri State Highway Patrol, Department of Social Services, Department of Natural Resources, Department of Health and Senior Services, Office of the Governor, Department of Public Safety-Capitol Police, Missouri Department of Conservation, Department of Public Safety-Division of Alcohol and Tobacco Control, Department of Public Safety-Office of Director, Department of Higher Education, Attorney General's Office, Office of Administration, Office of State Courts Administrator, Missouri Senate, Department of Public Safety-Gaming Commission, Department of Public Safety-Missouri State Emergency Management Agency, Missouri Tax Commission, Office of the State Public Defender, Missouri Consolidated Health Care Plan, Department of Public Safety-Fire Safety, Legislative Research, Missouri Lottery Commission, and Office of Prosecution Services has 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.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>GENERAL REVENUE FUND</b>			
<u>Savings</u> - SOS Publication and shipping costs	\$32,820	\$39,384	\$39,384
<u>Loss</u> - SOS decreased fee collection	<u>(\$8,022)</u>	<u>(\$9,626)</u>	<u>(\$9,626)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>\$24,798</u></b>	<b><u>\$29,758</u></b>	<b><u>\$29,758</u></b>

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

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act modifies the administrative rulemaking process. Any state agency that promulgates an emergency rule shall 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. The fiscal note shall be supported by a declaration that is subject to criminal penalties for making a false declaration, rather than an affidavit. After the filing of the rule, the Secretary of State shall, as soon as practicable, publish certain materials related to the rule in the Missouri Register, email such materials within three business days to persons who have registered to be notified of the agency's actions, and publish such materials within three business days on the Secretary of State's website. The act provides that the fiscal note for an emergency rule must only reflect fiscal costs for the duration of the emergency rule.

FISCAL DESCRIPTION (continued)

Currently, the Missouri Register and the Code of State Regulations must be published in writing upon request. This act repeals these requirements. Additionally, current requirements regarding the printing of the Code and costs for printing and mailing of the Register are repealed.

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 the Secretary of State  
Joint Committee on Administrative Rules  
Department of Labor and Industrial Relations  
Department of Economic Development  
Office of the State Treasurer  
Department of Public Safety-Veterans Commission  
Department of Transportation  
State Auditor's Office  
Office of Administration-Budget and Planning  
Office of Administration-Administrative Hearing Commission  
Department of Public Safety-Missouri National Guard  
Department of Revenue  
Department of Mental Health  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Corrections  
Missouri House of Representatives  
Missouri Ethics Commission  
Department of Public Safety-Missouri State Highway Patrol  
Department of Social Services  
Department of Natural Resources  
Department of Health and Senior Services  
Office of the Governor  
Department of Public Safety-Capitol Police  
Missouri Department of Conservation  
Department of Public Safety-Division of Alcohol and Tobacco Control  
Department of Public Safety-Office of Director

SOURCES OF INFORMATION (continued)

Department of Higher Education  
Attorney General's Office  
Office of Administration  
Office of State Courts Administrator  
Missouri Senate  
Department of Public Safety-Gaming Commission  
Department of Public Safety-Missouri State Emergency Management Agency  
Missouri Tax Commission  
Office of the State Public Defender  
Missouri Consolidated Health Care Plan  
Department of Public Safety-Fire Safety  
Legislative Research  
Missouri Lottery Commission  
Office of Prosecution Services



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