

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3726S.03C
Bill No.: SCS for SB 741
Subject: Boards, Commissions, Committees, and Councils; Political Subdivisions; State
Departments
Type: Original
Date: March 29, 2022

Bill Summary: This proposal creates new provisions relating to the disclosure of personal information to public agencies.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue Fund*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Oversight notes this proposal could create exposure for the state government and/or local political subdivisions. Oversight assumes the cost to the state would not reach the \$250,000 threshold.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Other State Funds	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Legal Expense Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

Numbers within parentheses: () indicate costs or losses.

*LEF will net to zero.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Various Federal Funds	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Ethics Commission, Office of the State Public Defender, Missouri Office of Prosecution Services, and Missouri Highway Patrol** each assume the proposal will have no fiscal impact on their respective organizations.

The **Office of the Secretary of State (SOS)** assumes many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could require additional resources.

In response to a previous version, officials from the **Office of the State Courts Administrator (OSCA)** assumed there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight assumes the OSCA will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the OSCA for fiscal note purposes.

In response to the previous version, the **Office of Administration** assumed the proposal will have no fiscal impact on that organization.

In response to similar legislation, HCS for HB 2120 from 2022, officials from the **Attorney General's Office** assumed the proposal will have no fiscal impact on their organization.

Oversight assumes subsection 105.1500.5 of this proposal would allow causes of action against various public agencies throughout the state. If the state is found liable, there may be additional payouts from the State Legal Expense Fund. Oversight assumes an annual fiscal impact from \$0 (no such civil actions brought against the state) to an unknown amount - not likely to exceed \$250,000 – of civil damages payouts.

Therefore, **Oversight** will assume the net fiscal impact to the Legal Expense Fund will be \$0 due to transfers in from General Revenue, Federal Funds, and Other State Funds from various state agencies to offset judgements against the state.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GENERAL REVENUE			
<u>Cost</u> - Potential increase in payments to Legal Expense Fund for increase in claims §105.1500.5	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
OTHER STATE FUNDS			
<u>Cost</u> - Potential increase in payments to Legal Expense Fund for increase in claims §105.1500.5	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT TO OTHER STATE FUNDS	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
LEGAL EXPENSE FUND (0692)			
<u>Transfer In</u> - from GR, Federal, and Other State Funds Potential increase in claims	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Transfer Out</u> - payment of discrimination claims §105.1500.5	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT TO THE LEGAL EXPENSE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT – State Government continued</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
FEDERAL FUNDS			

<u>Various Federal Funds - Potential increase in payments for increase in claims §105.1500.5</u>		<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT TO FEDERAL FUNDS		<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025	
LOCAL POLITICAL SUBDIVISIONS				
<u>Cost</u> Potential increase in claims §105.1500.5	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS		<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</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 establishes the Personal Privacy Protection Act prohibiting public agencies, as defined in the act, from disclosing or requiring the disclosure of personal information, as defined in the act. Specifically, public agencies are prohibited from:

- Requiring any individual to provide the public agency with personal information or otherwise compel the release of such personal information;
- Requiring any entity exempt from federal income taxation under Section 501(c) of the Internal Revenue Code to provide the public agency with personal information or otherwise compel the release of personal information;
- Releasing, publicizing, or otherwise publicly disclosing personal information in possession of a public agency; or

· Requesting or requiring a current or prospective contractor or grantee with the public agency to provide the public agency with a list of entities exempt from federal income tax under Section 501(c) of the Internal Revenue Code to which it has provided financial or nonfinancial support.

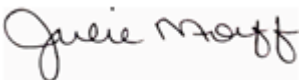
The act contains various exceptions to these prohibitions.

Any person or entity may bring a civil action for appropriate injunctive relief, damages, or both. Damages may be not less than \$2,500 to compensate for injury or loss caused by each violation of this act and, for an intentional violation, a sum of money not to exceed three times the sum of damages assessed. A court may additionally award all or a portion of the costs of litigation, including reasonable attorney fees and witness fees, to the complainant in the action if the court determines that the award is appropriate. Furthermore, a person who knowingly violates this act is guilty of a Class B misdemeanor.

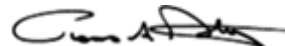
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Ethics Commission
Missouri Highway Patrol
Office of Administration
Office of the Secretary of State
Office of the State Public Defender
Missouri Office of Prosecution Services
Office of the State Courts Administrator
Attorney General's Office



Julie Morff
Director
March 29, 2022



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