

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3153-01  
BILL NO.: SB 763  
SUBJECT: Merchandising Services; Telecommunications  
TYPE: Original  
DATE: January 31, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Public Service Commission	(\$3,584)	\$96,600	\$99,451
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$3,584)</b>	<b>\$96,600</b>	<b>\$99,451</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
<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 LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses  
This fiscal note contains 4 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Economic Development-Public Service Commission (PSC)** assume they would need two additional staff (2 FTE) to implement the proposal. The staff would include one Consumer Services Specialist I and one Account Clerk II. These individuals would be responsible for implementing the no-call database; working with existing PSC personnel to develop and establish proper mechanisms for customers wishing to register on the no-call list; and to process fees. The PSC has estimated revenues of \$73,900 in FY 01, \$179,960 in FY 02 and \$184,960 in FY 03.

Officials from the **Office of the Attorney General (AGO)** assume any additional costs generated as a result of the proposal could be absorbed with existing resources.

Officials from the **Office of Prosecution Services (OPS)** assume the proposed legislation could result in costs to the local prosecutors, but the amount is unknown. **Oversight** assumes any costs could be absorbed with existing resources.

Officials from the **Office of the Secretary of State (SOS)** assume the proposed legislation would require the printing of additional pages in the Missouri Register and the Code of State Regulations and have estimated a publishing cost of \$2,048.50 for FY 01. Additionally, future costs are unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

While this bill alone would not require SOS to acquire additional staff, SOS assumes the cumulative effect of additional Register and Code publishing duties could, at some point, require additional staff.

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 request funding through the appropriation process. Any decisions to raise fees to defray costs likely be made in subsequent fiscal years.

Officials from the, **Department of Economic Development-Office of Public Counsel (OPC)**, **Office of State Public Defender (SPD)** and the **Office of State Courts Administrator (CTS)** assume the proposed legislation would have either no or minimal fiscal impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<b>PUBLIC SERVICE COMMISSION FUND</b>			
<u>Income- Public Service Commission (PSC)</u>			
Fees	\$73,900	\$179,960	\$184,960
<u>Costs - PSC</u>			
Expense (2 FTE)	(\$77,484)	(\$83,360)	(\$85,509)
<b>ESTIMATED NET EFFECT TO PUBLIC SERVICE COMMISSION FUND</b>	<b><u>(\$3,584)</u></b>	<b><u>\$96,600</u></b>	<b><u>\$99,451</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	0	0	0
<u>FISCAL IMPACT - Small Business</u>			

This proposal could have a direct fiscal impact on certain small businesses, since it could decrease the amount of sales by telemarketers.

DESCRIPTION

The proposed legislation pertains to unsolicited telephone sales calls. The act requires the Public Service Commission, by January 1, 2001, to establish and provide for a "do-not-call" database which shall contain the telephone numbers of residential telephone customers who do not wish to be called by telephone solicitors.

The act requires the Commission to promulgate rules to implement the do-not-call list, and includes some specific issues which the rule must address. If the Federal Communications Commission (FCC) maintains such a database, the Public Service Commission shall include the Missouri portion in the database required in this bill.

DESCRIPTION (continued)

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A residential telephone customer shall be charged five dollars to be included on the do-not-call list. No telephone solicitor may call any person on the list. At the beginning of a call, a telephone solicitor shall state the identity of the person or entity initiating the call. No telephone solicitor may block its telephone number from a caller identification service when that number is being used for telemarketing purposes.

A person or entity desiring to make telephone solicitations shall be charged a fee of ten dollars per year payable to the Commission for access to or for paper or electronic copies of the established database.

The act contains penalty provisions.

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

This proposal would affect Total State Revenues.

#### SOURCES OF INFORMATION

Department of Economic Development-Public Service Commission  
Office of the Attorney General  
Office of Prosecution Services  
Office of the Secretary of State  
Department of Economic Development-Office of Public Counsel  
Office of State Public Defender  
Office of State Courts Administrator



Jeanne Jarrett, CPA  
Director  
January 31, 2000