

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3263-01
Bill No.: HJR 32
Subject: Constitutional Amendments; Insurance Dept.
Type: Original
Date: January 23, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(\$52,560)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$52,560)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, City of Kansas City, and Platte County Board of Elections** assume the proposal would have no fiscal impact on their organizations.

Officials from the **Kansas City Board of Elections** state a search of records indicate such an election would incur direct publication costs for the required legal notices for the election. They estimate the proposal would require two notices, published twice, costing \$3,600.

Oversight assumes local governments could absorb the costs associated with publishing the election notices required as a result of this proposal.

Officials from the **Office of Secretary of State (SOS) - Administrative Rules Division** state HJR 32 proposes a constitutional amendment making the Director of Insurance an elected official. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn.

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 would likely be made in subsequent fiscal years.

ASSUMPTION (continued)

Officials from the **SOS - Elections Division** provide statewide newspaper publication of state statutes cost approximately \$1,752 per column inch based on an estimate provided by the Missouri Press Service times three (3) for multiple printings as required by the Constitution and state statute equaling \$5,256 per column inch (\$1,752 / inch X 3 printings). The estimated total number of inches for this amendment is 10 inches, which includes title header and certification paragraph. Therefore, the **SOS** assumes the publications cost for this proposal to be \$52,560 (\$5,256 X 10 inches).

Officials from the **St. Louis City Board of Elections, Jackson County Election Board, and St. Louis County Board of Elections** did not respond to our request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
GENERAL REVENUE FUND			
<u>Costs - Office of Secretary of State</u>			
Election publication costs	<u>(\$52,560)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$52,560)</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2007 (10 Mo.)	 FY 2008	 FY 2009
	<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.

DESCRIPTION

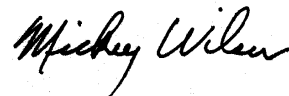
This proposed constitutional amendment makes, upon voter approval, the Director of the Department of Insurance an elected official. Currently, the director is appointed by the Governor with the consent of the Senate.

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

Department of Insurance
Office of Secretary of State -
 Administrative Rules Division
 Elections Division
Kansas City Board of Elections
Platte County Board of Elections
City of Kansas City

NOT RESPONDING: St. Louis City Board of Elections, Jackson County Board of Elections, and St. Louis County Board of Elections

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
January 23, 2006