

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2109-02  
Bill No.: HB 887  
Subject: Administration, Office of; State Departments  
Type: Original  
Date: March 9, 2007

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Bill Summary: This proposal requires all state advertisements to disclose if the advertisement was paid for by taxpayer dollars.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>       |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2010</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on General Revenue Fund</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>              |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2010</b> |
|   |                |                |                |
|   |                |                |                |
| <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 6 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2010</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 2008</b> | <b>FY 2009</b> | <b>FY 2010</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0</b>       | <b>0</b>       | <b>0</b>       |

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2008</b> | <b>FY 2009</b> | <b>FY 2010</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

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## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of Administration's Division of Purchasing & Materials Management (DPMM)** assume this additional ad language would increase DPMM's advertising costs.

Officials at the **Department of Mental Health** assume the requirements of this legislation would result in a minimal impact and the costs would be absorbed. However, if legislation passes and the costs increase significantly the Department would request a budget item for additional funding.

Officials at the **Department of Elementary and Secondary Education (DESE)** assume the additional wording would result in increased advertising costs, however, DESE does not expect the increase to be significant.

Officials at the **Department of Labor and Industrial Relations** assume the Missouri Commission on Human Rights and the Division of Labor Standards would need to modify some of their current advertising. Completing these updates would result in an unknown cost under \$500.

Officials at the **University of Missouri** state they are unable to determine the cost of this proposal.

Officials at the **Department of Economic Development (DED)** assume DED would be required to add additional text to all advertisements unless otherwise exempted by the bill. The text would have to say "This ad was paid for by taxpayer dollars." DED anticipated this would increase the normal employment advertisement size by 4.8% and result in the same increase in cost of placing advertisements. Average employment advertisements cost \$516 so this would mean around \$25 for each additional advertisement placed. DED anticipates the need for an additional \$1000 to \$3000 to cover the additional cost of putting the text in every advertisement.

Officials at the **Missouri Ethics Commission, Missouri Gaming Commission, Department of Public Safety, Alcohol & Tobacco Control, Fire Safety, Capitol Police, State Emergency Management Agency, Missouri Senate, Missouri State University, Office of Administration, Administrative Hearing Commission, Budget and Planning, Office of the State Courts Administrator, University of Central Missouri, Office of the State Public Defender, Metropolitan Community College, Office of the Attorney General, Joint Committee on Public Employee Retirement, Missouri Veterans Commission, Missouri Consolidated**

ASSUMPTION (continued)

**Health Care Plan, Linn State Technical College, Missouri Highway Patrol, St. Louis Community College, Office of the State Auditor, Missouri House of Representatives, Department of Revenue, Missouri Department of Agriculture, Department of Conservation, Office of the Governor, Department of Social Services, Office of the Secretary of State, Department of Health and Senior Services, Department of Higher Education, State Tax Commission, Department of Insurance, Financial Institutions and Professional Registration, Missouri Department of Transportation, Office of the State Treasurer, Department of Natural Resources and the Department of Corrections** assume that there is no fiscal impact from this proposal.

**Oversight** assumes that any costs associated with the additional wording on state advertisements can be absorbed by the agencies.

| <u>FISCAL IMPACT - State Government</u> | FY 2008<br>(10 Mo.) | FY 2009    | FY 2010    |
|---|---------------------|------------|------------|
|   | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2008<br>(10 Mo.) | FY 2009    | FY 2010    |
|   | <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 fiscal impact.

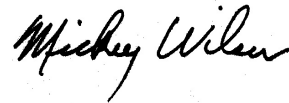
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration  
    Administrative Hearing Commission  
    Budget and Planning  
    Division of Purchasing & Materials Management  
Missouri Ethics Commission  
Missouri Gaming Commission  
Department of Public Safety  
    Alcohol & Tobacco Control  
    Fire Safety  
    Capitol Police  
    State Emergency Management Agency  
Missouri Senate  
Missouri State University  
Office of the State Courts Administrator  
University of Central Missouri  
Office of the State Public Defender  
Metropolitan Community College  
Office of the Attorney General  
Joint Committee on Public Employee Retirement  
Missouri Veterans Commission  
Missouri Consolidated Health Care Plan  
Linn State Technical College  
Missouri Highway Patrol  
St. Louis Community College  
Office of the State Auditor  
University of Missouri  
Missouri House of Representatives  
Department of Revenue  
Department of Agriculture  
Department of Economic Development  
Department of Conservation  
Office of the Governor  
Department of Social Services  
Office of the Secretary of State  
Department of Health and Senior Services  
Department of Mental Health  
Department of Higher Education  
State Tax Commission

SOURCES OF INFORMATION (continued)

Department of Insurance, Financial Institutions and Professional Registration  
Missouri Department of Transportation  
Office of the State Treasurer  
Department of Elementary and Secondary Education  
Department of Natural Resources  
Department of Labor and Industrial Relations  
Department of Corrections



Mickey Wilson, CPA  
Director  
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