

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4291-02
Bill No.: HB 1727
Subject: Ethics, General Assembly
Type: Original
Date: January 27, 2010

Bill Summary: Changes laws relating to ethics.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	(\$27,720)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$27,720)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ 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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Ethics Commission** assume the proposed legislation would prohibit an individual from serving as treasurer or deputy of treasurer of more than one campaign finance committee concurrently; prohibit committee to committee transfers and implement campaign finance limits. The implementation of the above responsibilities would require the following additional resources:

\$12,600 in expense and equipment to acquire contract services that would develop MEC search capabilities in locating treasurer/deputy treasurers with like names, who are serving in multiple committees, for oversight purposes, as established in 105.955.14, RSMo.

\$15,120 in expense and equipment to acquire contract services that would develop the MEC internal search capabilities for oversight of the campaign finance committees' adherence to the specific contribution limits, as established in 105.955.14, RSMo.. Current campaign finance data collection would allow the MEC to use search capabilities, providing for a manual review by MEC staff of adherence to the established limits.

Two Investigators to accommodate anticipated increase in enforcement duties, as established in current state statute, related to the new provisions.

Three Business Analysts to conduct the routine work necessary in reviewing and providing oversight for the proposed legislation. The Business analysts would review lobbyist registrations, committee reports for compliance, prepare necessary notices, track the receipt of payment, and coordinate the necessary collection efforts. Currently two Business Analysts assist 2,800 committees in filing campaign finance reports, prepare and disseminate 15,000 notices, and review 11,000 campaign finance reports.

Increases in investigations and oversight, beyond the Commission's current duties, would require the addition of 1 Investigator Supervisor and 1 Staff Attorney. Currently 1 supervisory staff oversees all investigations, filing of 11,000 campaign finance reports, 15,852 monthly lobbyist reports, 4,291 personal financial disclosure reports, registering 1,000 lobbyists, education and outreach.

The Commission would anticipate that changes or additions to the proposed language set forth in this bill, may require additional associated costs for FTE, equipment, and expenses.

In 2008, Senate Bill 1038 repealed campaign finance contribution limits in Missouri. At that

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ASSUMPTION (continued)

time, the Missouri Ethics Commission did not reduce its number of FTE due to the cutback in the number of complaints and investigations caused by the campaign limits being repealed. Additionally, the Missouri Ethics Commission did not reduce its number of FTE because they were no longer required to monitor the amount of contributions received by a committee. Therefore, **Oversight** assumes the current FTE should be able to handle the increased number of complaints and investigations and the review of the campaign finance reports due to the limits being reimposed. **Oversight** assumes this proposal has no fiscal impact on the Missouri Ethics Commission.

Oversight assumes the contribution limits go into effect on January 1, 2011.

Officials at the **Office of the Secretary of State, Missouri Senate** and the **Office of the Governor** assume that there is no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (6 Mo.)	FY 2012	FY 2013
GENERAL REVENUE			
<u>Cost - Missouri Ethics Commission</u>			
One-time computer upgrades	<u>(\$27,720)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$27,720)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<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

This proposal changes several provisions of the campaign finance and ethics laws.

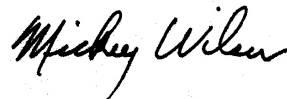
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Ethics Commission
Office of the Secretary of State
Office of the Governor
Missouri Senate

NOT RESPONDING

Missouri House of Representatives

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

Mickey Wilson, CPA
Director
January 27, 2010