

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1735-01
Bill No.: HB 750
Subject: Telecommunications; Fees; Emergencies; Office of Administration
Type: Original
Date: April 11, 2011

Bill Summary: This proposal increases the amount of the fee in the proposal to establish fees for wireless enhanced 911 service to seventy-five cents.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)
Total Estimated Net Effect on General Revenue Fund	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)	\$0 or (More than \$7,000,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
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 2012	FY 2013	FY 2014
Local Government*	\$0	\$0	\$0

*Offsetting income and expense for a special election is \$0 or More than \$7,000,000.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Public Service Commission** and **Office of Public Counsel** state this proposal will have no fiscal impact on their respective divisions.

Officials from the **Office of Administration** assume no fiscal impact to their agency.

According to officials from the **Joint Committee on Administrative Rules (JCAR)**, this proposal should not create any additional fiscal impact above current appropriations to JCAR.

In response to other proposals requiring a ballot measure to be submitted and approved by voters, of the state, officials at the **Office of the Secretary of State (SOS)** assume unless a special election is called for the purpose, the ballot measure is submitted to a vote of the people at the next general election. If a special election is called to submit a proposal to a vote of the people, §115.063.2 RSMo requires the state to pay the costs. Article III section 52(b) of the Missouri Constitution authorizes the general assembly to order a special election for measures referred to the people.

The SOS is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article I, Section 26, 27, 28 of the Missouri Constitution and §116.230-116.290, RSMo. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session.

Funding for this item is adjusted each year depending upon the election cycle with \$1.3 million historically appropriated in odd numbered fiscal years and \$100,000 appropriated in even numbered fiscal years to meet these requirements. The appropriation has historically been an estimated appropriation because the final cost is dependent upon the number of ballot measures approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2011, at the August and November elections, there were 6 statewide Constitutional Amendments or ballot propositions that cost \$1.02 million to publish (an average of \$170,000 per issue). Therefore, the Secretary of State's office assumes, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. However, because these requirements are mandatory, SOS reserves the right to request funding to meet the cost of publishing requirements if the Governor and the General Assembly change the amount or eliminate the estimated nature of the SOS appropriation.

Oversight has reflected in this fiscal note, the state potentially reimbursing local political subdivisions the cost of having this joint resolution voted on during a special election in fiscal year 2012. This reflects the decision made by the Joint Committee on Legislative Research, that the cost of elections should be shown in the fiscal note. The next scheduled general election is in November, 2012 (FY 2013). It is assumed the subject within this proposal could be on that ballot; however, it could also be on a special election called for by the Governor.

Oversight also notes that the language of the proposal states the measure may be presented to the voters at subsequent elections until the measure is approved. The potential cost will be reflected in each fiscal year for the scope of the fiscal note.

To estimate the expense the state would incur for reimbursing local political subdivisions for a special election, Oversight requested expense estimates from all election authorities for an election. Eighty-six out of the one hundred fifteen election authorities responded to Oversight's request. From these respondents; the total election expense that would have to be reimbursed by the state government is over \$7 million. Oversight will reflect a potential cost borne by the state in FY 2012 of over \$7 million for reimbursement to the local political subdivisions. Oversight assumes the Governor could call for a special election to be held prior to November, 2012 regarding this measure; however, if a special election is not called, the subject will be voted on at the general election in November, 2012.

Oversight notes a fund (Wireless SPE 911 Service Fund) has already been established by the Office of State Treasurer. **Oversight** assumes revenues generated by the fee would pass through to local 911 call-center operations.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE FUND			
<u>Expense</u> - Reimbursement of local political subdivisions for special election costs	\$0 or (More than <u>\$7,000,000</u>)	\$0 or (More than <u>\$7,000,000</u>)	\$0 or (More than <u>\$7,000,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 or (More than \$7,000,000)</u>	<u>\$0 or (More than \$7,000,000)</u>	<u>\$0 or (More than \$7,000,000)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2012 (10 Mo.)	 FY 2013	 FY 2014
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - Reimbursed costs for special election	\$0 or More than \$7,000,000	\$0 or More than \$7,000,000	\$0 or More than \$7,000,000
 Expense - Cost of special election	 \$0 or (More than <u>\$7,000,000</u>)	 \$0 or (More than <u>\$7,000,000</u>)	 \$0 or (More than <u>\$7,000,000</u>)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<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

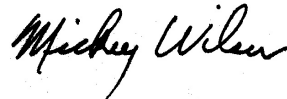
This proposal allows the Commissioner of the Office of Administration to establish a wireless fee per telephone user to not over 75 cents per month. The fee must be submitted and approved by the voters of the state in November 2012 or at a special election called by the Governor.

If the measure is rejected at such general or special election, the measure may be resubmitted at each subsequent general election, or may resubmitted at any subsequent special election call by the Governor on the ballot measure, until such measure is approved

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 Economic Development
Public Service Commission
Office of Public Counsel
Office of Secretary of State
Division of Elections
Joint Committee on Administrative Rules
Office of Administration



Mickey Wilson, CPA
Director
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