

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1990-02
Bill No.: HCS for HB 931
Subject: Secretary of State; State Departments; Administrative Law; Administrative Rules
Type: Original
Date: April 29, 2019

Bill Summary: This proposal modifies provisions relating to administrative rules.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|-----------------|-----------------|-----------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| General Revenue | \$24,798 | \$29,758 | \$29,758 |
| Total Estimated Net Effect on General Revenue | \$24,798 | \$29,758 | \$29,758 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------|----------|----------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume publishing costs in calendar year 2018 for the *Missouri Register* was \$11,374 while register subscription fees totaled \$3,256. Publishing cost for Code updates in 2018 was \$18,312 plus an additional shipping cost of \$9,698 for a total cost of \$28,010. Code subscription fees were \$6,370. FY 2020 cost savings lower due to late August effective date.

Oversight notes that the SOS has stated the proposal would have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a net savings of \$24,798 in FY 2020, and \$29,758 in FY 2021 and FY 2022 on the fiscal note.

Oversight notes Section 536.033. states copies of the register or code shall be available to public by SOS upon request for a reasonable charge not to exceed the actual cost. All fees collected by SOS from the sale shall be deposited to general revenue.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

Officials from the **State Auditor's Office, Missouri Ethics Commission, MoDOT and Patrol Employees Retirement System, Department of Public Safety-Office of the Director, Department of Elementary and Secondary Education, Office of Administration, Department of Higher Education, Department of Public Safety-Missouri National Guard, Department of Revenue, Department of Public Safety-Missouri State Highway Patrol, Legislative Research, Missouri Lottery Commission, Department of Public Safety-Capitol Police, Office of State Courts Administrator, Department of Public Safety-State Emergency Management Agency, Office of Prosecution Services, Missouri Senate, Missouri Tax Commission, Missouri State Employees' Retirement System, Missouri Consolidated Health Care Plan, Office of Administration-Budget and Planning, Department of Public Safety-Gaming Commission, Department of Insurance, Financial Institutions and Professional Registration, Department of Corrections, Office of the State Treasurer, Department of Health and Senior Services, Department of Transportation, Department of Natural Resources, Office of the Governor, Department of Labor and Industrial Relations, Department of Mental Health, Office of Administration-Administrative Hearing**

ASSUMPTION (continued)

Commission, Attorney General's Office, Missouri Department of Conservation, and Department of Economic Development each assume the proposal will have no fiscal impact on their organization.

In response to a previous version, officials from the **Department of Social Services, Department of Public Safety-Veterans Commission, Department of Agriculture, Missouri House of Representatives, Department of Public Safety-Alcohol and Tobacco Control, Office of the State Public Defender, and Department of Public Safety-Fire Safety** each assumed the proposal will have no fiscal impact on their organization.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

| <u>FISCAL IMPACT - State Government</u> | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
|---|-------------------------|------------------------|------------------------|
| GENERAL REVENUE FUND | | | |
| <u>Savings</u> - SOS | \$32,820 | \$39,384 | \$39,384 |
| Publication and shipping costs | | | |
| <u>Loss</u> - SOS | (\$8,022) | (\$9,626) | (\$9,626) |
| decreased fee collection | | | |
| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | <u>\$24,798</u> | <u>\$29,758</u> | <u>\$29,758</u> |
| <u>FISCAL IMPACT - Local Government</u> | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
| | <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 bill specifies that at the time of, or prior to the adoption of a rule, an agency must file with the Secretary of State and the Joint Committee on Administrative Rules the fiscal note for the rule. Fiscal notes for emergency rules will only reflect the cost of such rules during the time of their implementation.

As soon as practicable after a filing by an agency of materials under these provisions, the Secretary of State must publish the materials in the Missouri Register and, within three business days of the filing, email the materials to persons who have registered to be notified of the agency's actions through the Secretary of State's administrative rules notification system and publish the materials on the official website of the Secretary of State.

Currently, the Missouri Register and the Code of State Regulations must be published in writing upon request. This act repeals these requirements. Additionally, current requirements regarding the printing of the Code and costs for printing and mailing of the Register are repealed.

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 the Secretary of State
Office of the State Treasurer
Joint Committee on Administrative Rules
Department of Economic Development
Department of Public Safety-Office of the Director
Department of Social Services
Department of Public Safety-Veterans Commission
Department of Public Safety-National Guard
State Auditor's Office
Department of Elementary and Secondary Education
Department of Mental Health
Department of Corrections
Department of Insurance, Financial Institutions and Professional Registration
Office of Administration-Budget and Planning
Department of Labor and Industrial Relations
Missouri Department of Conservation
Attorney General's Office
Missouri Ethics Commission

SOURCES OF INFORMATION (continued)

Department of Transportation
Department of Agriculture
Department of Public Safety-Missouri State Highway Patrol
Office of the Governor
Office of State Courts Administrator
Missouri House of Representatives
Office of Administration-Administrative Hearing Commission
MoDOT and Patrol Employees Retirement System
Department of Natural Resources
Department of Health and Senior Services
Department of Higher Education
Office of Administration
Department of Public Safety-Capitol Police
Department of Public Safety-Gaming Commission
Office of Prosecution Services
Department of Public Safety-Alcohol and Tobacco Control
Department of Public Safety-State Emergency Management Agency
Missouri Senate
Missouri Tax Commission
Missouri Consolidated Health Care Plan
Missouri Lottery Commission
Office of the State Public Defender
Missouri State Employees' Retirement System
Department of Revenue
Legislative Research
Department of Public Safety-Fire Safety



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April 29, 2019

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