

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0719H.01P  
Bill No.: Perfected HB 381  
Subject: Counties; Political Subdivisions; County Officials; Auditor, State  
Type: Original  
Date: April 27, 2021

---

Bill Summary: This proposal changes the law regarding county financial statements.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on General Revenue</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 2022</b>	<b>FY 2023</b>	<b>FY 2024</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.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</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 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Local Government</b>	<b>Could Exceed \$100,000</b>	<b>Could Exceed \$100,000</b>	<b>Could Exceed \$100,000</b>

## FISCAL ANALYSIS

### ASSUMPTION

In response to similar legislation from 2020, HB 1814, officials at **Henry County** assumed a savings of \$1,800 annually in publication costs from this proposal.

**Oversight** inquired Henry County regarding this proposal. The County currently submits a 14 page document to the newspaper which lists out every dollar by vendor. Since this proposal requires a summary of data to be published in the newspaper, Henry County's publishing costs would be reduced as the number of pages would be reduced that would be submitted to the newspaper.

In response to similar legislation from 2020, HB 1814, officials at **Lincoln County** assumed a savings of \$2,000 annually in publication costs from this proposal.

In response to similar legislation from 2020, HB 1814, officials at **Livingston County** assumed a savings of \$2,500 annually in publication costs from this proposal.

**Oversight** assumes using the counties above as an example, if the average savings of the three counties publication costs is \$2,100 and 96 counties (2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> class counties) in Missouri published their financials in the newspaper, the potential savings could be up to \$201,600 (\$2,100 \* 96) per year. Therefore, Oversight will reflect a potential savings in publication costs for counties to post their financials through a newspaper of general circulation in their county that could exceed \$100,000 annually from this proposal.

Officials from the **Office of the State Auditor** assume 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 in the fiscal note.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other counties and county treasurers were requested to respond to this proposed legislation, but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT –</u> <u>State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
<b>COUNTIES</b>			
<u>Savings</u> – in publication costs on financials posted in a newspaper of general circulation	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>
<b>ESTIMATED NET EFFECT ON COUNTIES</b>	<b>Could exceed <u>\$100,000</u></b>	<b>Could exceed <u>\$100,000</u></b>	<b>Could exceed <u>\$100,000</u></b>

#### FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

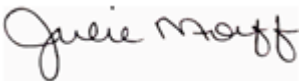
#### FISCAL DESCRIPTION

This bill requires all non-charter counties, by the first Monday in March, to prepare and publish in a qualified newspaper a financial statement for the previous year. The financial statement shall include the name, office, and current gross annual salary of each elected or appointed county official whose salary is set by the County Salary Commission. The County Clerk or other officer responsible for the preparation of the financial statement shall preserve the documents relied upon in the making of the financial statements and shall provide an electronic copy free of charge to any newspaper requesting a copy of the data. Currently, these requirements only apply to counties of the first classification.

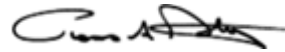
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Henry County  
Lincoln County  
Livingston County  
State Auditor's Office

A handwritten signature in cursive script, appearing to read "Julie Morff", written in black ink on a light-colored background.

Julie Morff  
Director  
April 27, 2021

A handwritten signature in cursive script, appearing to read "Ross Strobe", written in black ink on a light-colored background.

Ross Strobe  
Assistant Director  
April 27, 2021