# COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

# **FISCAL NOTE**

L.R. No.: 2348H.01I Bill No.: HB 1282

Subject: Marriage and Divorce

Type: Original

Date: March 2, 2021

Bill Summary: This proposal changes the laws regarding marriage and replaces marriage

licenses with contracts of domestic union.

# **FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	(Could exceed		
	\$118,688)	(Unknown)	(Unknown)
<b>Total Estimated Net</b>			
Effect on General	(Could exceed		
Revenue	\$118,688)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<b>Total Estimated Net</b>			
Effect on Other State			
Funds	\$0	\$0	\$0

**Oversight** states there is an unknown cost if the law requires outcount incarcerated persons to appear in person at the recorder's office, but it is assumed it will not exceed \$250,000 annually.

Numbers within parentheses: () indicate costs or losses.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Federal Funds*	\$0	\$0	\$0
<b>Total Estimated Net</b>			
Effect on All Federal			
Funds	\$0	\$0	\$0

<sup>\*</sup>Distribution of income and costs net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<b>Total Estimated Net</b>			
Effect on FTE	0	0	0

☐ 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.
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☐ Estimated Net Effect (sayings or increased revenues) expected to exceed \$250,000 in any of

☐ 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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<b>Local Government</b>	\$0	\$0	\$0

# **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Department of Social Services (DSS)** assume there would be ITSD costs of \$237,376 (\$174,482 + \$13,133 + \$45,144 + \$4,617) (50% GR = \$118,688 and 50% Federal = \$118,688). This proposal would require modifications to the existing system (MACSS) of \$4,617, (Child Support Forms) of \$45,144, (FAMIS) of \$13,133 and the Missouri Eligibility Determination and Enrollment System (MEDES) of \$174,482.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the DSS.

Officials from the **Missouri State Employee's Retirement System (MOSERS)** assume the provisions of this proposal, if enacted, would change law regarding marriage by replacing "marriage licenses" with "contracts of domestic union". From MOSERS perspective, their understanding is by changing the statutes to reference a contract of domestic union, instead of marriage, a larger number of members will potentially be covered. Currently, certain death benefits are paid to a member's surviving spouse. Their understanding is this proposal would apply those death benefits to an individual participating in a contract of domestic union with a MOSERS member and therefore would apply when such MOSERS member is deceased. Therefore, if a larger number of members are provided this benefit, there is a cost to MOSERS.

There is very little, if any, data to help base an assumption on the number of members that will be covered by a domestic union as compared to married (which is the basis of the current assumption). Assuming the proposed changes translates into MOSERS providing death benefits to more active members than under current law, there will be a cost to MOSERS. However, without a reliable way to anticipate how many more members would be eligible for a surviving spouse benefit under the definition of domestic union, the cost is unknown.

**Oversight** notes the Missouri State Employees Retirement System is not a state agency. This change would only affect state funds if the impact on the System were great enough to affect state contributions to the System.

In response to similar legislation from 2020, HCS for HB 2173, officials from the **Department of Corrections (DOC)** stated this legislation removes any requirement of a marriage ceremony or solemnization. It is a contract signed by both parties and witnessed by two adults; this legislation requires these individuals to appear in person at the recorder of deeds office. It further states that this section will not prohibit any incarcerated person from entering into a contract of domestic union; however there is not any language regarding how that process would occur for incarcerated persons.

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Currently, by statute, when an incarcerated offender is applying for a marriage license, the Warden signs an affidavit stating the names of both applicants, date of birth for the incarcerated applicant, attestation that the applicants are not related, date the marriage was ended if the incarcerated applicant was previously married, and attestation that the applicant cannot appear in person to the recorder of deeds because the applicant is incarcerated (451.040). This legislation removes this process.

There are significant operational and fiscal concerns if the intent is to outcount incarcerated persons to go to the recorder of deeds office to sign the contract of domestic union. Each outcount requires at least one officer to supervise the offender (at least two officers are required for maximum security offenders); every time an offender is outside the secure perimeter public safety is at risk. In addition, legislation still allows for marriage ceremonies to occur; so there will continue to be workload on the institutional chaplain and other facility staff when the offender or civilian requests to have a ceremony. There is also an impact on offender to offender marriages which currently occur through video conference equipment.

The DOC is unable to give a fiscal impact to this legislation, as it is unknown how many offenders will apply for a marriage license.

Oversight will reflect an unknown cost from DOC's response.

Officials from the **Sheriff's Retirement System** state with regard to §§57.949-57.997, minimal impact is expected from the potential passage of this proposed legislation. The anticipated impact is less than \$100,000.

**Oversight** notes that the Sheriff's Retirement System is not an agency of any political subdivision and would only affect political subdivision fund if the impact on the System was great enough to affect contributions to the System.

Officials from the **University of Central Missouri** assume a potential increase in costs to the University of an indeterminate amount.

**Oversight** assumes the University of Central Missouri is with core funding to handle a certain amount of activity each year. Oversight assumes the University of Central Missouri could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, the University of Central Missouri could request funding through the appropriation process or from other University funds.

# Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

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Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, they also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, they reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the Office of the State Courts Administrator, the Attorney General's Office, the Department of Commerce and Insurance, the Department of Economic Development, the Department of Elementary and Secondary Education, the Department of Higher Education and Workforce Development, the Department of Health and Senior Services, the Department of Mental Health, the Department of Labor and Industrial Relations, the Department of Public Safety, the Missouri Department of Transportation, the Missouri Consolidated Health Care Plan, the Missouri Office of Prosecution Services and the State Tax Commission each assume the proposal will have no fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the City of Claycomo, the City of Corder, the City of Kansas City, the City of O'Fallon, the City of Springfield, St. Louis City, the Platte County Board of Elections, the St. Louis County Board of Elections, the County Employees Retirement Fund, the Joint Committee on Public Employee Retirement, the Kansas City Employees' Retirement System, the Kansas City Firefighter's Pension System, the Kansas City Public School Retirement System, the Kansas City Supplemental Retirement Plan, the Local Government Employees Retirement System, the Lake West Ambulance District, the Metropolitan St. Louis Sewer District Employees Pension Plan, the St. Louis County Library District Employee Pension Plan, Missouri State University, Northwest Missouri State University, the State Technical College of Missouri and the St. Charles Community College each assume the proposal will have no fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

FISCAL IMPACT – State Government	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE			
Costs – DOC –			
supervising offenders			
at Recorder's Offices	(Unknown)	(Unknown)	(Unknown)
Costs – DSS ITSD –			
programming	(\$118,688)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE			
GENERAL	(Could exceed		
REVENUE FUND	\$118,688)	(Unknown)	(Unknown)
TEL VELVEE TOTAL	<u>φ110,000</u>	<u>(emmovin)</u>	<u>(CHRIOWI)</u>
FEDERAL FUNDS			
Income – DSS –			
Reimbursement for			
MACSS, FAMIS and			
MEDES system updates	\$118,688	\$0	\$0
updates	\$110,000	\$0	\$0
Cost – DSS			
MACSS system			
changes	(\$2,309)	\$0	\$0
FAMIS system			
changes	(\$6,566)	\$0	\$0
MEDES system	(0000011)	**	<b>*</b> • •
changes	(\$87,241)	\$0	\$0
Child Support Form changes	(\$22.572)	<u>\$0</u>	<u>\$0</u>
Total costs	(\$22,572) (\$118,688)	<u>\$0</u> \$0	<u>\$0</u> \$0
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ESTIMATED NET			
EFFECT ON			
FEDERAL FUNDS	<u><b>\$0</b></u>	<u>\$0</u>	<u>\$0</u>

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

# FISCAL IMPACT – Small Business

Small businesses involved with weddings could be impacted by this proposal.

## FISCAL DESCRIPTION

This bill changes the laws regarding marriage by replacing "marriage licenses" with "contracts of domestic union". It further modifies "marriage" as a "contract of domestic union" and defines "married" and "unmarried" insofar as the individual is a party to that contract.

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 State Employee's Retirement System

Department of Corrections

Sheriff's Retirement System

University of Central Missouri

Joint Committee on Administrative Rules

Office of the Secretary of State

Office of the State Courts Administrator

Attorney General's Office

Department of Commerce and Insurance

Department of Economic Development

Department of Elementary and Secondary Education

Department of Higher Education and Workforce Development

Department of Health and Senior Services

Department of Mental Health

Department of Labor and Industrial Relations

Department of Public Safety

Department of Social Services

Missouri Department of Transportation

Missouri Consolidated Health Care Plan

Missouri Office of Prosecution Services

State Tax Commission

City of Claycomo

City of Corder

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City of Kansas City City of O'Fallon City of Springfield St. Louis City Platte County Board of Elections St. Louis County Board of Elections County Employees Retirement Fund Joint Committee on Public Employee Retirement Kansas City Employees' Retirement System Kansas City Firefighter's Pension System Kansas City Public School Retirement System Kansas City Supplemental Retirement Plan Local Government Employees Retirement System Lake West Ambulance District Metropolitan St. Louis Sewer District Employees Pension Plan St. Louis County Library District Employee Pension Plan Missouri State University Northwest Missouri State University State Technical College of Missouri St. Charles Community College

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March 2, 2021

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