

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4348H.01I
Bill No.: HB 1720
Subject: Sunshine Law; Education, Elementary and Secondary
Type: Original
Date: January 15, 2024

Bill Summary: This proposal modifies provisions of the sunshine law.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	(Up to \$428,961)	(Up to \$432,079)	(Up to \$439,218)
Total Estimated Net Effect on General Revenue	(Up to \$428,961)	(Up to \$432,079)	(Up to \$439,218)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	Up to 5 FTE	Up to 5 FTE	Up to 5 FTE
Total Estimated Net Effect on FTE	Up to 5 FTE	Up to 5 FTE	Up to 5 FTE

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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§610.021 – Sunshine Law

Officials from the **Office of Administration – Division of Purchasing (PURCH)** assume the following:

Without an exemption for state bid and contract records, the proposed legislation would cause the PURCH to have to limit access to the division’s public bid and contract records in order to be compliant with sub section (27). This would have a substantial negative impact to staff time in the division resulting from needing to divert resources from conducting procurements for customer agencies instead to reviewing the bid and contract documents before they are available to the public in order not to violate the law. PURCH and state agency procurement officers would have to make significant redactions to remove most names in each bid and proposal from vendors before such records could be made public. The Office of Administration strongly recommends the language in (27) should include an exemption from bid and contract records similar to the exemption language added to section 105.1500.6, RSMo.

Officials from the **Department of Health and Senior Services (DHSS)** assume §610.021(27) of the proposal requires that information not be released that “may be used to individually identify a constituent of a public governmental body.” The section then defines a constituent as “any person who is within the boundaries of the public governmental body, any person who owns real property within the boundaries of the public governmental body, or any person who owns a business interest in a business operating within the boundaries of the of the public governmental body.” The DHSS is a public governmental body for the purposes of this rule. The DHSS constituency is every Missouri resident, all of those who the DHSS regulate (including out-of-state residents holding an interest in a DHSS licensed entity), and any person visiting the State of Missouri. Because of some of the more controversial topics that DHSS handles (abortion, vaccination, etc.), DHSS receives communications from a variety of people and those communications are often responsive to broad sunshine requests. Arguably, most of the DHSS employees are also constituents and communication between them and outside parties is also responsive to sunshine requests. To comply with this policy, DHSS would first have to determine if every person named in a record is a constituent and then do the additional redaction. The additional workload would require one (1.00 FTE) Legal Counsel at an estimated annual salary of \$79,480. DHSS does not have the capacity to absorb the additional workload. DHSS also assumes this proposal will require the staff member to be located in Jefferson City and have additional office space at a cost of \$4,140 (\$18 * 230 sq. ft. * 1 FTE).

Officials from the **Missouri Department of Agriculture (MDA)** assume §610.021(27) would require MDA to hire an additional person. All documents responsive to an open records request would have to be combed for Personal Identifying Information by a staff member and that information would have to be redacted.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the PURCH, DHSS and the MDA.

Officials from the **Office of Administration - Administrative Hearing Commission and Budget and Planning**, 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 Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Public Safety (Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety, Office of the Director, Missouri Gaming Commission, Missouri Highway Patrol, Missouri Veterans Commission, State Emergency Management Agency)**, the **Department of Social Services**, the **Office of the Governor**, the **Missouri Department of Conservation**, the **Missouri Ethics Commission**, the **Missouri Department of Transportation**, the **Missouri National Guard**, the **MoDOT & Patrol Employees' Retirement System**, the **Petroleum Storage Tank Insurance Fund**, the **Office of the State Public Defender**, the **Office of the State Treasurer**, the **University of Missouri System**, the **City of Kansas City**, the **Office of the State Auditor**, the **Missouri House of Representatives**, the **Joint Committee on Administrative Rules**, the **Joint Committee on Education**, the **Joint Committee on Public Employee Retirement**, **Legislative Research**, the **Oversight Division**, the **Missouri Senate**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the **Missouri Higher Education Loan Authority**, the **Missouri Office of Prosecution Services**, the **Missouri State Employee's Retirement System**, the **Office of the State Courts Administrator** 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 **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 the office can sustain with its core budget. Therefore, the SOS reserves 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 only reflects the responses received from state agencies and political subdivisions; however, other cities, counties and local school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs – PURCH §610.021</u>	Up to	Up to	Up to
Personnel Service	(\$95,432)	(\$116,809)	(\$119,145)
Fringe Benefits	(\$74,537)	(\$90,332)	(\$91,237)
Expense & Equipment	(\$40,261)	\$0	\$0
<u>Total Costs - PURCH</u>	(\$210,229)	(\$207,141)	(\$210,382)
FTE Change	Up to 3 FTE	Up to 3 FTE	Up to 3 FTE
<u>Costs – DHSS §610.021</u>			
Personnel Service	(\$66,233)	(\$81,070)	(\$82,691)
Fringe Benefits	(\$38,188)	(\$46,442)	(\$47,070)
Expense & Equipment	(\$9,800)	(\$5,582)	(\$5,694)
<u>Total Costs - DHSS</u>	(\$114,221)	(\$133,094)	(\$135,455)
FTE Change	1 FTE	1 FTE	1 FTE
<u>Costs – MDA §610.021</u>			
Personnel Service	(\$50,546)	(\$51,557)	(\$52,588)
Fringe Benefits	(\$34,611)	(\$35,002)	(\$35,402)
Expense & Equipment	(\$19,354)	(\$5,285)	(\$5,391)
<u>Total Costs - MDA</u>	(\$104,511)	(\$91,844)	(\$93,381)
FTE Change	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Up to \$428,961)</u>	<u>(Up to \$432,079)</u>	<u>(Up to \$439,218)</u>
Estimated Net FTE Change on General Revenue	Up to 5 FTE	Up to 5 FTE	Up to 5 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<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 allows for the closure of certain records under the Sunshine law.

This bill authorizes a public governmental body to close records that contain individually identifiable information, including email addresses and telephone numbers, submitted to the body by individuals or entities for the sole purpose of receiving electronic or other communications, as specified in the bill.

This bill also authorizes the closure of public records that may be used to individually identify a constituent of the public body. The bill defines the term "constituent" to exclude a lobbyist or lobbyist principal, a statewide elected official, or an elected official of a political subdivision, or an employee of such elected official.

The bill authorizes the closing of records held by political subdivisions containing individually identifiable information of a minor, or the minor's parent or legal guardian.

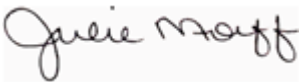
Further, any record may be closed that is retained in the office of a member of the General Assembly, or employees of the General Assembly, that contain information regarding proposed legislation or the legislative process. These authorizations to close records shall not apply if the record has been offered in a public meeting of either house of the General Assembly or if the record was addressed to, or from, a lobbyist or lobbyist principal.

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 Health and Senior Services
Missouri Department of Agriculture
Office of Administration
 Administrative Hearing Commission
 Budget and Planning
 Division of Purchasing
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety

Department of Social Services
Office of the Governor
Missouri Department of Conservation
Missouri Ethics Commission
Missouri Department of Transportation
Missouri National Guard
MoDOT & Patrol Employees' Retirement System
Petroleum Storage Tank Insurance Fund
Office of the State Public Defender
Office of the State Treasurer
University of Missouri System
City of Kansas City
Office of the State Auditor
Missouri House of Representatives
Joint Committee on Administrative Rules
Joint Committee on Education
Joint Committee on Public Employee Retirement
Legislative Research
Oversight Division
Missouri Senate
Missouri Lottery Commission
Missouri Consolidated Health Care Plan
Missouri Higher Education Loan Authority
Missouri Office of Prosecution Services
Missouri State Employee's Retirement System
Office of the State Courts Administrator
State Tax Commission



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January 15, 2024



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