

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1056-01  
Bill No.: Perfected HB 341  
Subject: Ethics; Elections  
Type: Original  
Date: March 31, 2015

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Bill Summary: This proposal specifies that beginning January 1, 2016, certain elective county offices shall file ethics reports with the Missouri Ethics Commission instead of local election authorities.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$54,495)	(\$98,356)	(\$99,414)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$54,495)</b>	<b>(\$98,356)</b>	<b>(\$99,414)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<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.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</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 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
General Revenue	2 FTE	2 FTE	2 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Missouri Ethics Commission (MEC)** assume this proposal will require all candidates running for political office to file financial disclosure reports under §130.026.2(2),(3),(4) with the MEC. MEC estimates an additional 5, 220 filers.

MEC anticipates the need for 2 Business Analyst to conduct the routine work necessary in reviewing and providing oversight for the area of campaign finance and assessment of late fees. The Business Analyst would review reports for compliance, prepare necessary notices, track the filings, assist the filers in completing the necessary reports, track non-filings and assess late fees for late filers. Currently, MEC assesses a total of 761 late fees for late filers in the areas of campaign finance, lobbying and personal financial disclosure. The current percentage of campaign finance filers assessed for filing late is approximately 1.5%. MEC estimates approximately 557 additional late campaign finance filings. Each non-filer and late filer must be notified via certified mail.

**Oversight** has, for fiscal note purposes only, adjusted the salary and benefits of the 2 Business Analyst (\$30,420) to correspond with the range for starting salaries of current MEC staff for a similar position.

MEC has requested \$15,120 in programming costs. **Oversight** assumes that the MEC has programmers on staff to handle the reprogramming of the computer systems and would not need to contract for these services. MEC did not reduce its programming staff when the campaign limits were repealed with SB 1038 and therefore the current FTE should be able to handle the increased programming responsibilities.

**Oversight** assumes that should MEC have a significant increase in late filers, the MEC can seek additional resources through the appropriation process.

Officials at the **St. Louis City Board of Election Commission**, the **St. Louis County Board of Election Commission**, the **Lincoln County Clerk's Office**, and the **Platte County Board of Election Commission** assume no fiscal impact from this proposal to their respective organizations.

Officials at the following boards of election commission: Kansas City Board of Election Commission, Clay County Board of Election Commission, and Jackson County Board of Election Commission did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Marion, McDonald, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, Shelby, St. Charles, St. Louis, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (6 Mo.)	FY 2017	FY 2018
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**GENERAL REVENUE**

Costs - MEC

Personal Service	(\$30,420)	(\$61,448)	(\$62,063)
Fringe Benefits	(\$15,820)	(\$31,956)	(\$32,276)
Equipment and Expenses	(\$8,255)	(\$4,952)	(\$5,075)
<u>Total Costs - MEC</u>	<u>(\$54,495)</u>	<u>(\$98,356)</u>	<u>(\$99,414)</u>
FTE Change - MEC	2 FTE	2 FTE	2 FTE

**ESTIMATED NET EFFECT ON**

<b>GENERAL REVENUE</b>	<b><u>(\$54,495)</u></b>	<b><u>(\$98,356)</u></b>	<b><u>(\$99,414)</u></b>
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Estimated Net FTE Change	2 FTE	2 FTE	2 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (6 Mo.)	FY 2017	FY 2018
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

### FISCAL DESCRIPTION

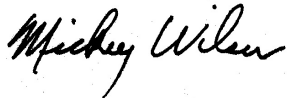
This bill requires those filing ethics reports under Section 130.026, RSMo, to file the reports with the Missouri Ethics Commission in an electronic format approved by the commission. Currently many officials could file with either the commission or a local election authority.

The bill will become effective on January 1, 2016.

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 Ethics Commission  
St. Louis County Board of Election Commission  
Lincoln County Clerk's Office  
Platte County Board of Election Commission  
St. Louis City Board of Election Commission



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March 31, 2015

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March 31, 2015