

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1466-01  
Bill No.: HB 864  
Subject: Administrative Rules; General Assembly  
Type: Original  
Date: February 20, 2017

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Bill Summary: This proposal specifies that any rule promulgated by a state agency that will have a major impact on any persons or entities in the state shall be approved by the General Assembly and the Governor.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 2018</b>	<b>FY 2019</b>	<b>FY 2020</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 \$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 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** state 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 \$2,500. 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 the 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** 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 **Department of Agriculture** assume the impact of this proposal is unknown since it is unknown how many, if any, regulations will have an estimated impact of \$1 million or more. Also, it is unknown how many of those regulations will be approved by the General Assembly.

Officials from the **Office of the State Auditor** assume any fiscal impact from this proposal may be absorbed through current appropriations.

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal can be absorbed with existing resources.

ASSUMPTION (continued)

Officials from the **Department of Natural Resources, Department of Higher Education, Department of Public Safety - Fire Safety Division, Capitol Police, Department of Mental Health, Department of Public Safety - Alcohol and Tobacco Control, Department of Health and Senior Services, Office of Administration - Budget and Planning, Department of Public Safety - Missouri Highway Patrol, Office of the State Courts Administrator, Missouri Senate, Office of Administration, Joint Committee on Public Employee Retirement, Office of the Governor, Missouri Consolidated Health Care Plan, Missouri Lieutenant Governor, Office of Prosecution Services, State Emergency Management Agency, Lottery, Missouri Veterans Commission, Missouri Gaming Commission, Administrative Hearing Commission, Missouri Ethics Commission, State Tax Commission, Office of the State Treasurer, Department of Corrections and Office of the State Public Defender** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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 establishes the "Regulatory Accountability Act," which requires that a state agency that has filed a fiscal note following notice of proposed rule-making must submit the proposed regulation to the joint committee on administrative rules if the cost of the regulation will tend to have a major impact, as defined in the bill, on persons or entities in the state.

A proposed regulation received by the Joint Committee on Administrative Rules must be sent to the General Assembly, which must consider a joint resolution to approve the regulation within 60 days.

FISCAL DESCRIPTION (continued)

If the General Assembly is not in session, the new regulation will go into effect but will terminate if not approved by the General Assembly within 60 days after it convenes in regular or special session. If approved the joint resolution will be sent to the Governor for his or her signature.

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

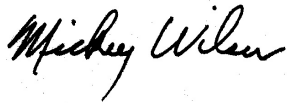
SOURCES OF INFORMATION

Office of the Secretary of State  
Department of Agriculture  
State Auditor's Office  
Attorney General's Office  
Department of Natural Resources  
Department of Higher Education  
Department of Public Safety - Fire Safety Division  
Capitol Police  
Department of Mental Health  
Department of Public Safety - Alcohol and Tobacco Control  
Department of Health and Senior Services  
Office of Administration - Budget and Planning  
Department of Public Safety - Missouri Highway Patrol  
Office of the State Courts Administrator  
Missouri Senate  
Office of Administration  
Joint Committee on Public Employee Retirement  
Office of the Governor  
Missouri Consolidated Health Care Plan  
Missouri Lieutenant Governor  
Office of Prosecution Services  
State Emergency Management Agency  
Lottery  
Missouri Veterans Commission  
Missouri Gaming Commission  
Administrative Hearing Commission  
Missouri Ethics Commission  
State Tax Commission

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SOURCES OF INFORMATION (continued)

Office of the State Public Defender  
Office of the State Treasurer  
Department of Corrections



Mickey Wilson, CPA  
Director  
February 20, 2017

Ross Strobe  
Assistant Director  
February 20, 2017