

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6474-01
Bill No.: HB 2524
Subject: Sunshine Law; Attorney General
Type: Original
Date: March 22, 2018

Bill Summary: This proposal modifies provisions for the sunshine law and creates the transparency division within the Attorney General’s Office to monitor sunshine law violations by state agencies.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Attorney General (AGO)** assume that any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if there is a significant increase in litigation.

Officials at the **Office of the State Courts Administrator** assume there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Officials at the **Office of the Secretary of State** and the **Office of Prosecution Services** each assume no fiscal impact to their respective agencies from this proposal.

Oversight inquired the AGO regarding the number of judgements and the amount of penalties collected on Sunshine Law Violations. The **AGO** stated they are actively litigating two Sunshine Law enforcement cases, therefore, no fees have been collected in those matters. In 2010, a settlement was reached in the case Koster v. Northeast Ambulance and Fire Protection District, which alleged, in part, a Sunshine Law violation. The governmental body issued a \$1,000 check payable to the AGO and was endorsed over to the St. Louis County Treasurer as the custodian for the St. Louis County Schools Fund.

Oversight will reflect a \$0 or Unknown increase in revenue to local school districts from the potential increase in fine revenue from Sunshine Law violations.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2019
(10 Mo.)

FY 2020

FY 2021

LOCAL SCHOOL DISTRICTS

Revenue - potential increase in revenue from larger fines for Sunshine Law violations

\$0 or Unknown

\$0 or Unknown

\$0 or Unknown

ESTIMATED NET EFFECT TO LOCAL SCHOOL DISTRICTS

\$0 or Unknown

\$0 or Unknown

\$0 or Unknown

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Upon a finding by a preponderance of the evidence that an agency has knowingly violated Sections 109.260, 109.265, or 109.270, the agency will be subject to a civil penalty in an amount not less than \$500 but not more than \$10,000 and reasonable attorney's fees. If the court finds that there was a violation but it was not made knowingly, the court may impose a civil penalty in an amount not more than \$1,000 and reasonable attorney's fees. Any person who knowingly violates such sections commits a class B misdemeanor.

The bill also changes the penalty for a knowing violation of Sections 610.010 to 610.026, from up to \$1,000 to a range of not less than \$500 but not more than \$10,000 and reasonable attorney's fees. If the court finds that there was a violation but it was not made knowingly, the court may impose a civil penalty of not more than \$1,000 and reasonable attorney's fees. A person who knowingly violates such sections commits a class B misdemeanor..

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

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SOURCES OF INFORMATION

Office of the Attorney General
Office of the State Courts Administrator
Office of the Secretary of State
Office of Prosecution Services

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director
March 22, 2018