

COMMITTEE ON LEGISLATIVE RESEARCH  
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4072-01  
Bill No.: SB 1035  
Subject: Campaign Finance: Ethics, Lobbying  
Type: Original  
Date: February 22, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government*</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

\* Income from fees are not expected to exceed \$100,000 on a statewide basis.

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

## ASSUMPTION

Officials of the **Office of Secretary of State** stated this proposal would make changes in the way the Ethics Commission regulates campaign financing, and in the fees collected by the Commission. Officials assume this could cause the Commission to publish rules. The rules would be published in the Missouri Register and Code of State Regulations.

Officials assume the publication of rules could require as many as 6 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes, and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23.00. The estimated cost of a page in the Code of State Regulations is \$27.00. The actual cost could be more or less than the numbers above. Officials estimate publication cost in FY 2003 to be \$369, and is (Unknown) for FY 04 and 05.

**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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.**

Officials of the **Missouri Ethics Commission** assume no fiscal impact.

Officials of the **Office of State Courts Administrator** assume there would be no fiscal impact to the State's Courts.

Officials of the **Kansas City Board of Election Commission** stated this proposal would have no significant local impact.

Officials of the **Department of Elementary and Secondary Education** assume this proposal would require late filing fees, to be deposited to the credit of such County's School Fund pursuant to Section 166.131, RSMo. Officials stated there would be no way to estimate income from the fees, however, officials stated they would expect substantial compliance with the law, therefore, any impact to local school funds would likely be minimal.

**In response to similar if not identical legislation ( fiscal note 3355-01, or HB 1326), of this session the following entity submitted the following impact estimate:**

Officials of the **Office of Attorney General** assumed any cost could be absorbed with current level of funding, therefore, there would be no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005

### COUNTY SCHOOL FUND

**Income** to County School Fund  
from late filing fees \*

Unknown                      Unknown                      Unknown

**\*Oversight assumes there would be substantial compliance with Section 130.056, filing reports, therefore, the amount of fees collected on a statewide basis would be expected to be less than \$100,000 annually.**

### FISCAL IMPACT - Small Business

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

### DESCRIPTION

This Act revises a number of provisions relating to lobbyists, the Missouri Ethics Commission and campaign finance disclosure.

Lobbyists shall no longer be required to include expenditure categories for printing and publication expenses, media and other advertising expenses, and honoraria on their monthly reports (Section 105.473).

Lobbyist expenditure reports shall not include any payment to public officials, their families or staff if it is compensation for employment in addition to employment as a public official (Section 105.473). The act repeals the law making lobbyist requirements inapplicable to union members not acting as lobbyists for the union (Section 105.475).

After a finding of probable cause, the Ethics Commission may settle certain non-criminal complaint cases without a hearing for a fee of not more than \$1,000. Currently, after a finding of probable cause, the Commission must hold a hearing (Section 105.961).

### DESCRIPTION (continued)

The act changes the amount from \$250 to \$275 that an individual may contribute to a candidate or committee before certain disclosure laws apply (Sections 130.011 and 130.016). A committee or candidate may file its statement of organization within 30 days of the election (Section 130.021).

Current law provides that a continuing committee must file required disclosure reports no later than the seventh day before an election. This act changes the filing date to no later than the eighth day before an election. When no disclosure reports are required, a committee treasurer must file a statement indicating that the committee has not exceeded thresholds for that reporting period (Section 130.046).

As a technical matter, the act moves the provisions regarding nominee compliance and late fees from Section 130.050, RSMo, to Sections 130.062 and 130.063. The act also moves provisions related to out-of-state committee contribution or expenditure reports from Section 130.050 to Section 130.049.

Any fees collected for the late filing of campaign disclosure reports must be deposited to the credit of the county school fund pursuant to Section 166.131, RSMo (Section 130.056). Current law provides that a person must "purposely" violate the provisions of Chapter 130, RSMo, to be guilty of a Class A misdemeanor. This act changes the standard to "knowingly" (Section 130.081).

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 Secretary of State  
Office of Attorney General  
Missouri Ethics Commission  
Department of Elementary and Secondary Education  
Kansas City Board of Election Commission  
Office of State Courts Administrator



Mickey Wilson, CPA  
Acting Director  
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