

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0273-02
Bill No.: SB 96
Subject: Civil Rights; Courts
Type: Original
Date: April 12, 2013

Bill Summary: This proposal prohibits discrimination based upon a person's sexual orientation or gender identity.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** and **Department of Insurance, Financial Institutions and Professional Registration** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Office of the Attorney General (AGO)** assume, if passed, this proposal will enable new cases of alleged discrimination based on sexual orientation to come before the Human Rights Commission. As a result, the AGO anticipates additional work in representing the Commission. At this time, it is unknown how many new claims will be filed by individuals alleging discrimination based on sexual orientation. AGO assumes that the number of claims in the first few years will be less than 10 and that the AGO can absorb the costs of representing the Commission in its review of these claims. However, if there is a significant increase in claims over time, the AGO may seek additional appropriations to adequately represent the Human Rights Commission in handling these claims.

Officials from the **Department of Labor and Industrial Relations – Missouri Commission on Human Rights (MCHR)** assume they cannot predict the number of cases the proposal would add to the MCHR's caseload. The MCHR estimates, based on information received from eight (8) agencies in states that cover sexual orientation in their civil rights laws that sexual orientation cases filed would comprise approximately 4.0% of MCHR's caseload.

The MCHR received 1,854 complaints in FY12. Assuming a 4.0% increase due to adding sexual orientation as a protected category, it would add 75 additional complaints annually. The Department estimates at minimum MCHR would need 2 additional FTEs to absorb the added workload, one human relations officer and one office support assistant. The salary plus fringe benefits would be \$88,811 in fiscal year 2014, \$105,262 in fiscal year 2015 and \$106,339 in fiscal year 2016.

Oversight assumes the MCHR could absorb any increase in complaints within existing resources. However, if the number of cases increases significantly, MCHR could request additional funding through the budgetary process.

Officials from the **Office of Administration (OA)** state the proposed legislation will offer employees additional remedies for discrimination claims. It would be speculative to estimate how many claims could be brought and cost of subsequent litigation.

ASSUMPTION (continued)

Oversight assumes OA would be able to absorb any additional work related to this proposal within existing appropriations.

In response to a similar proposal from 2011 (SB 239), officials from the **Office of the Secretary of State (SOS)** assume 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 proposal for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed in a given year and that collectively the costs may be in excess of what the SOS can sustain with their core budget. Any additional required funding would be handled through the budget process.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<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

The proposed legislation appears to have no direct fiscal impact.

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 Labor and Industrial Relations
Attorney General's Office
Office of the State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration
Office of Administration
Office of the Secretary of State



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April 12, 2013