

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0940-01  
Bill No.: HB 293  
Subject: State Departments  
Type: Original  
Date: March 1, 2013

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Bill Summary: This proposal requires all state agencies that assess any administrative fine or penalty to provide information regarding how a person may appeal the assessment of the penalty.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>       |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2014    | FY 2015    | FY 2016    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated Net Effect on General Revenue Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>              |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2014    | FY 2015    | FY 2016    |
|   |            |            |            |
|   |            |            |            |
| <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 2014</b> | <b>FY 2015</b> | <b>FY 2016</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 2014</b> | <b>FY 2015</b> | <b>FY 2016</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0</b>       | <b>0</b>       | <b>0</b>       |

- 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).

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2014</b> | <b>FY 2015</b> | <b>FY 2016</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Administrative Hearing Commission, Bi-State Development Commission, Department of Agriculture, Department of Conservation, Department of Economic Development, Department of Elementary and Secondary Education, Department of Health and Senior Services, Department of Higher Education, Department of Insurance, Financial Institutions and Professional Registration, Department of Labor and Industrial Relations, Department of Mental Health, Department of Natural Resources, Department of Public Safety - Alcohol and Tobacco Control, Department of Public Safety - Capitol Police, Department of Public Safety - Fire Safety, Department of Revenue, Department of Social Services, Joint Committee on Administrative Rules, Joint Committee on Public Employee Retirement, Missouri Consolidated Health Care Plan, Missouri Ethics Commission, Missouri Gaming Commission, Missouri Highway Patrol, Missouri House of Representatives, Missouri Lottery, Missouri National Guard, Missouri Senate, Missouri State Employees' Retirement System, MoDOT and Patrol Employees' Retirement System, Office of Administration - Budget and Planning, Office of Administration - Division of Personnel, Office of the Governor, Office of Prosecution Services, Office of the State Auditor, Office of State Courts Administrator, Office of the State Public Defender, Office of State Treasurer and the State Tax Commission** each assume there is no fiscal impact to their organization from this proposal.

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

Officials at the **Missouri Veterans Commission** assume an unknown impact.

Officials at the **Department of Corrections (DOC)** assume this proposal is extremely vague and potentially problematic for state agencies. The new §37.050 requires every agency that assesses/imposes an "administrative penalty" to enact procedures and provide the public information on how the administrative appeal of the penalty works. The term "administrative penalty" is not defined in the proposal, nor anywhere in chapter 37, so it is unclear what this would include. Presumably, intervention fees would not fall under the category of "administrative penalty," but if construed as such, the Department might have to institute an appeal process for challenging such fees, which would create a heavy burden for DOC. There may be other charges/fines the Department imposes that could be relevant to this proposal. Any fiscal impact is unknown per each year at this time.

ASSUMPTION (continued)

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.

**Oversight** assumes this proposal requires agencies to implement procedures to inform the public regarding administrative penalties. Oversight assumes the agencies could absorb any costs associated with this proposal, with existing resources.

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

| <u>FISCAL IMPACT - Local Government</u> | FY 2014<br>(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

Administrative Hearing Commission  
Bi-State Development Commission  
Department of Agriculture  
Department of Conservation  
Department of Corrections  
Department of Economic Development  
Department of Elementary and Secondary Education  
Department of Health and Senior Services  
Department of Higher Education  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Labor and Industrial Relations  
Department of Mental Health  
Department of Natural Resources  
Department of Public Safety  
    Alcohol and Tobacco Control  
    Capitol Police  
    Fire Safety  
Department of Revenue  
Department of Social Services  
Joint Committee on Administrative Rules  
Joint Committee on Public Employee Retirement  
Missouri Consolidated Health Care Plan  
Missouri Ethics Commission  
Missouri Gaming Commission  
Missouri Highway Patrol  
Missouri House of Representatives  
Missouri Lottery  
Missouri National Guard  
Missouri Senate  
Missouri State Employees' Retirement System  
Missouri Veterans Commission

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SOURCES OF INFORMATION (continued)

MoDOT and Patrol Employees' Retirement System  
Office of Administration  
    Budget and Planning  
    Division of Personnel  
Office of Attorney General  
Office of the Governor  
Office of Prosecution Services  
Office of the Secretary of State  
Office of the State Auditor  
Office of State Courts Administrator  
Office of the State Public Defender  
Office of State Treasurer  
State Tax Commission



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