

FIRST REGULAR SESSION

# SENATE BILL NO. 514

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR DEMPSEY.

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TERRY L. SPIELER, Secretary.

2156S.01I

## AN ACT

To repeal sections 21.445, 21.450, 23.080, 23.140, 23.150, 23.160, 23.170, 23.180, 23.190, 23.200, and 33.810, RSMo, and to enact in lieu thereof twelve new sections relating to the general assembly, with a penalty provision.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 21.445, 21.450, 23.080, 23.140, 23.150, 23.160, 23.170, 23.180, 23.190, 23.200, and 33.810, RSMo, are repealed and twelve new sections enacted in lieu thereof, to be known as sections 21.445, 21.450, 23.080, 23.135, 23.140, 23.150, 23.155, 23.160, 23.170, 23.180, 23.190, and 33.810, to read as follows:

21.445. 1. The joint committee on corrections shall meet within ten days after its creation and organize by selecting a [chairman] **chair** and a vice [chairman] **chair**, one of whom shall be a member of the senate and the other a member of the house of representatives. The director of research of the committee on legislative research shall serve as secretary to the committee. He **or she** shall keep the records of the committee, and shall perform, **with assistance from other legislative staff as specified in section 21.450**, such other duties as may be directed by the committee.

2. The regular meetings of the committee shall be in Jefferson City, Missouri, and after its inception and organization it shall regularly meet at least once every six months.

3. A majority of the members of the committee shall constitute a quorum.

**EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

17           4.    The members of the committee shall serve without  
18 compensation but shall be entitled to reimbursement for  
19 actual and necessary expenses incurred in the performance of  
20 their official duties.

          21.450.   The committee may, within the limits of its  
          appropriation, employ such personnel as it deems necessary;  
2   and the committee on legislative research, within the limits  
3   of any appropriation made for such purpose, shall supply to  
4   the joint committee on corrections such professional,  
5   technical, legal, stenographic and clerical help as may be  
6   necessary for it to perform its duties. **During the time the**  
7 **chair of the committee is a member of the house of**  
8 **representatives, house research and appropriations staff shall**  
9 **coordinate the inspection of facilities as required in**  
10 **section 21.455. During the time the chair of the committee**  
11 **is a member of the senate, senate research and appropriations**  
12 **staff shall coordinate such inspections.**

          23.080.  1.   The committee may regularly employ and fix  
2   the compensation of a director of research who is competent  
3   to assume administration of the necessary activities of the  
4   committee under the direction of the committee.    The  
5   committee may also employ other attorneys, research  
6   assistants, clerks and other persons as it deems necessary  
7   within the limits of the appropriation made therefor to carry  
8   out the provisions of this chapter or to provide assistance  
9   for the members and committees of the general assembly.  
10 Except for those employees assigned to the **legislative budget**  
11 **office or the** oversight division, all employees of the  
12 committee shall be under the supervision of the director of  
13 research, and he **or she** shall, as directed by the committee,  
14 assign and supervise all work projects of those employees and  
15 keep all necessary personnel records for those employees and  
16 others of the committee if so directed. **All employees of the**  
17 **legislative budget office shall be under the supervision of**  
18 **the director of the legislative budget office, and he or she**  
19 **shall, as directed by the subcommittee, assign and supervise**  
20 **all work projects of the employees of that office.** All  
21 employees of the oversight division shall be under the  
22 supervision of the director of the oversight division, and he  
23 **or she** shall, as directed by the subcommittee, assign and

24 supervise all work projects of the employees of that  
25 division.

26 2. The committee may provide necessary legal reports  
27 and other publications to be kept in the library of the  
28 committee and pay for same out of any appropriations made to  
29 the committee. The secretary of state and the revisor of  
30 statutes shall furnish the librarian, without charge, the  
31 number of Missouri statutes and session laws as is desired by  
32 the committee to enable it to exchange the statutes and  
33 session laws for those of other states.

23.135. 1. The committee on legislative research shall  
2 organize a "Legislative Budget Office" to provide budgetary  
3 information to members of the general assembly. The  
4 committee may regularly employ and fix the compensation of  
5 the director of the legislative budget office, who shall be  
6 qualified by training and experience to handle economic and  
7 budgetary issues.

8 2. The director of the legislative budget office may  
9 employ personnel necessary to carry out the duties of such  
10 office within the limits of any appropriation made for such  
11 purpose. Persons employed to work in the legislative budget  
12 office shall be appointed without regard to political  
13 affiliation and shall be professional persons possessing a  
14 wide knowledge and demonstrated expertise in economics and  
15 public policy and administration. The director of the  
16 legislative budget office may also contract with public and  
17 private entities, within the limits of appropriation, for  
18 analysis and study of current economic and budgetary issues.

19 3. The legislative budget office shall:

20 (1) Make a continuing study and analysis of the fiscal  
21 condition of this state;

22 (2) Perform trend analysis of revenue and expenditures;

23 (3) Provide an annual budget program options  
24 publication to the general assembly;

25 (4) Review the actual fiscal impact of past significant  
26 legislative decisions;

27 (5) Assist in the performance-based reviews of state  
28 agencies;

29 (6) Prepare and provide to members of the general

**30 assembly other reports concerning budgetary or fiscal matters**  
**31 as determined by the director or committee.**

23.140. 1. Legislation, with the exception of appropriation bills, introduced into either house of the general assembly shall, before being acted upon, be submitted to the oversight division of the committee on legislative research for the preparation of a fiscal note. The staff of the oversight division shall prepare a fiscal note, examining the items contained in subsection 2 and such additional items as may be provided either by joint rule of the house and senate or by resolution adopted by the committee or the oversight subcommittee.

10 2. The fiscal note shall state:

11 (1) The cost of the proposed legislation to the state  
12 for the next two fiscal years;

13 (2) Whether or not the proposed legislation will  
14 establish a program or agency that will duplicate an existing  
15 program or agency;

16 (3) Whether or not there is a federal mandate for the  
17 program or agency;

18 (4) Whether or not the proposed program or agency will  
19 have significant direct fiscal impact upon any political  
20 subdivision of the state;

21 (5) Whether or not any new physical facilities will be  
22 required; and

23 (6) Whether or not the proposed legislation will have  
24 an economic impact on small businesses. For the purpose of  
25 this subdivision "small business" means a corporation,  
26 partnership, sole proprietorship or other business entity,  
27 including its affiliates, that:

28 (a) Is independently owned and operated; and

29 (b) Employs fifty or fewer full-time employees.

30 3. The fiscal note for a bill shall accompany the bill  
31 throughout its course of passage. No member of the general  
32 assembly, lobbyist or persons other than oversight division  
33 staff members shall participate in the preparation of any  
34 fiscal note unless the communication is in writing, with a  
35 duplicate to be filed with the fiscal note or unless  
36 requested for information by the fiscal analyst preparing the  
37 note. Violations of this provision shall be reported to the

38 chairman of the legislative research committee and subject  
39 the fiscal note and proposed bill to subcommittee review.  
40 Once a fiscal note has been signed and approved by the  
41 director of the oversight division, the note shall not be  
42 changed or revised without prior approval of the chairman of  
43 the legislative research committee, except to reflect changes  
44 made in the bill it accompanies, or to correct patent  
45 typographical, clerical or drafting errors that do not  
46 involve changes of substance, nor shall substitution be made  
47 therefor. Appeals to revise, change or to substitute a  
48 fiscal note shall be made in writing by a member of the  
49 general assembly to the chairman of the legislative research  
50 committee and a hearing before the committee or subcommittee  
51 shall be granted as soon as possible. Any member of the  
52 general assembly, upon presentation of new or additional  
53 material, may, within three legislative days after the  
54 hearing on the request to revise, change or substitute a  
55 fiscal note, request one rehearing before the full committee  
56 to further consider the requested change. The subcommittee,  
57 if satisfied that new or additional material has been  
58 presented, may recommend such rehearing to the full  
59 committee, and the rehearing shall be held as soon as  
60 possible thereafter.

61 4. The director of the division, hereinafter provided  
62 for, or the director's designees, shall seek information and  
63 advice from the affected department, division or agency of  
64 state government and shall call upon the research staffs of  
65 the house of representatives and of the senate, and upon the  
66 staffs of the house and senate appropriations committees for  
67 assistance in carrying out fiscal notes and [auditing  
68 functions and duties] **program evaluations**, during the interim,  
69 and each staff shall supply such information or advice as it  
70 [may possess] **deems appropriate** in response to the inquiry.  
71 The state auditor shall, upon request, cooperate and provide  
72 assistance in the conduct of audits and the preparation of  
73 reports made in connection therewith.

23.150. 1. The committee on legislative research shall  
2 organize an oversight division to prepare fiscal notes and to  
3 conduct [management audits and] program [audits] **evaluations**  
4 of state agencies. The committee may form a subcommittee of

5 not less than six members to provide direct supervision of  
6 the personnel and practices of the division. The  
7 subcommittee shall consist of one-half of the members  
8 appointed by the [chairman] **chair** from the house which he **or**  
9 **she** represents and one-half of the members appointed by the  
10 vice [chairman] **chair** from the house which he **or she**  
11 represents.

12 2. Within the limits of the appropriations made for  
13 this division, the committee shall employ a director of the  
14 oversight division and other personnel as it deems necessary.  
15 The director shall be qualified by training and experience to  
16 conduct such [audits] **evaluations**, and he **or she** shall be  
17 directly responsible for those activities. The director of  
18 the oversight division, with the consent of the joint  
19 committee, may employ personnel necessary to carry out the  
20 duties prescribed in this chapter. Persons employed to work  
21 in the oversight division shall be professional persons  
22 possessing a wide knowledge and demonstrated expertise in  
23 governmental programming and financial planning, in conducting  
24 program review evaluations and analytic studies, and of  
25 federal, state, and local government budgetary processes, laws  
26 and regulations of the state of Missouri. [Office space,  
27 furniture and equipment formerly assigned to the committee on  
28 state fiscal affairs, and appropriations made therefor, shall  
29 be transferred to the committee on legislative research.]

23.155. 1. **Every employee of the oversight division**  
2 **shall, before entering upon his or her duties, take and file**  
3 **in the offices of the secretary of the senate and the chief**  
4 **clerk of the house of representatives an oath to support the**  
5 **constitution of the state, to faithfully demean himself or**  
6 **herself in office, to not disclose to any unauthorized person**  
7 **any information furnished by any state department, state**  
8 **agency, political subdivision, or instrumentality of the**  
9 **state, and that he or she will not accept as presents or**  
10 **emoluments any pay, directly or indirectly, for the discharge**  
11 **of any act in the line of his or her duty other than the**  
12 **remuneration fixed and accorded to the employee by law.**

13 2. For any violation of his or her oath of office or  
14 of any duty imposed upon him or her by this section, any

15 **employee shall be guilty of a class A misdemeanor.**

23.160. 1. [As used in this chapter, the term  
"management audit" means a postaudit which determines, with  
2 regard to the purpose, functions, and duties of an audited  
3 agency:

4 (1) Whether the agency is managing and utilizing its  
5 resources in an economical and efficient manner; and

6 (2) Which identifies causes of inefficiencies or  
7 uneconomical practices including inadequacies in the use and  
8 management of information systems, internal and administrative  
9 procedures, organizational structure, use of resources,  
10 allocation of personnel, and purchasing policies.

11 2.] As used in this chapter, the term "program [audit]"  
12 **evaluation**" means a [postaudit] **study** which determines and  
13 evaluates program performance according to program objectives,  
14 responsibilities, and duties as set forth by statute or  
15 regulation. Program [audits] **evaluations**, in accordance with  
16 generally accepted program evaluation standards, shall  
17 determine:

18 (1) Whether the program is being performed and  
19 administered as authorized or required by law, and whether  
20 this action conforms with statutory intent;

21 (2) Whether the objectives and intended benefits are  
22 being achieved, and whether [efficiently and effectively] **the**  
23 **absence of such achievements suggest the need for corrective**  
24 **or additional legislation;**

25 (3) Benefits derived from any program in relation to  
26 the expenditures made therefor; and

27 (4) Whether the program duplicates, overlaps, or  
28 conflicts with any other state program.

29 [A program audit may include determinations within the scope  
30 of a management audit to the extent necessary or appropriate  
31 to the conduct of a particular program audit.]

32 [3.] 2. As used in this chapter, the term "resources"  
33 includes appropriated funds, federal funds, grants, and  
34 personnel, and also includes equipment and space, whether  
35 assigned, owned or leased.

36 [4.] 3. As used in this chapter, the term "agency"  
37 includes each department and office within the executive  
38 branch of government and each identifiable unit thereof,

39 including institutions of higher learning, and each  
40 identifiable unit of the legislative and judicial branches of  
41 government.

23.170. 1. The oversight division of the committee on  
legislative research shall, pursuant to a duly adopted  
2 concurrent resolution of the general assembly, or pursuant to  
3 a resolution adopted by the committee on legislative  
4 research, conduct [management audits and] program [audits]  
5 **evaluations** of agencies as directed by any such resolution.  
6

7 2. The staff of any agency subject to a [management  
8 or] program [audit] **evaluation** shall fully cooperate with the  
9 staff of the oversight division and shall provide all  
10 necessary information and assistance for such an [audit]  
11 **evaluation**. All records of an agency, unless otherwise  
12 expressly declared by law to be confidential, may be  
13 inspected by the oversight division staff while conducting  
14 the [audit] **evaluation**, and the agency subject to the [audit]  
15 **evaluation** shall afford the oversight division staff with  
16 ample opportunity to observe agency operations.

17 3. All [audits] **evaluations** shall be completed within  
18 one year unless an extension is authorized by the committee,  
19 but progress reports shall be made to the committee at least  
20 monthly. [The subcommittee supervising the oversight division  
21 shall meet monthly to review progress reports, hear requests  
22 for changes in fiscal notes, and provide supervision for the  
23 oversight division staff.]

24 4. Any member of the general assembly and any committee  
25 of either house of the general assembly may submit requests  
26 for [audits] **program evaluations** to the committee on  
27 legislative research, and any agency may request an [audit]  
28 **evaluation** of its operations.

23.180. The committee may:

2 (1) Subpoena and examine witnesses by subpoena issued  
3 under the hand of the speaker of the house or the president  
4 pro tem of the senate and may require the appearance of any  
5 person and the production of any paper or document in the  
6 same manner;

7 (2) Cause witnesses appearing before the committee or  
8 [the] **its** staff [of the division] to give testimony under



9 oath;

10 (3) Require that testimony given or a record of the  
11 proceedings of any hearing be recorded by an official court  
12 reporter or other competent person, under oath, in writing or  
13 by electronic, magnetic, or mechanical sound or video  
14 recording devices. Any such transcript or record, when  
15 certified by the reporter or recorder, shall be prima facie  
16 a correct statement of the testimony or proceedings.

23.190. 1. In making [audits] **program evaluations** the  
2 division shall make recommendations and suggestions, in  
3 writing, to the personnel of the agency being [audited]  
4 **evaluated**. Such personnel shall be given an opportunity to  
5 respond, in writing, to those recommendations and suggestions.  
6 Thereafter, as soon as practicable after completion of the  
7 [audit] **evaluation**, the committee shall issue a public report  
8 of the [audit] **evaluation**. The report shall contain  
9 recommendations for changes in practices and policies as well  
10 as recommendations for changes in statutes and regulations,  
11 and shall contain the response of the agency involved. Each  
12 report shall be a public record and shall be signed by the  
13 committee [chairman] **chair**. Each report shall be presented  
14 to the governor and the agency involved. Copies may be made  
15 available to members of the general assembly and to the  
16 general public. The committee may charge a fee to recover  
17 publication costs for copies made available to the general  
18 public.

19 2. One year after completion of each [audit]  
20 **evaluation**, the oversight division shall review the operations  
21 of the agency [audited] **evaluated** to determine whether or not  
22 there has been substantial compliance with the recommendations  
23 contained in the report, and if not, a further review shall  
24 be conducted at the end of another year. In each instance  
25 a further report shall be made and distributed in the same  
26 manner as an initial report is made and distributed.

33.810. When any department or agency is selected for  
2 a performance-based review pursuant to the provisions of  
3 sections 33.800 to 33.810, an analysis team shall be formed  
4 to consist of a budget analyst of the senate appropriations  
5 committee selected by the chairman of the senate  
6 appropriations committee, a budget analyst of the house

7 budget committee selected by the chairman of the house budget  
8 committee, a budget analyst who is employed by the office of  
9 administration designated by the commissioner of  
10 administration, and an employee of the department or agency  
11 subject to the performance-based review selected by the chief  
12 administrative officer of that department or agency. Upon  
13 request of the chairmen of the legislative committees, the  
14 **legislative budget office and the** oversight division of the  
15 joint committee on legislative research shall assist the  
16 analysis team and provide such services as may be required.  
17 Members of the team shall receive no additional compensation  
18 for their services, but may be reimbursed for their actual  
19 and necessary expenses connected with the performance of  
20 their duties out of the joint legislative contingent fund.  
21 The team shall perform such functions, analysis and other  
22 duties as are specified in the performance-based review  
23 procedures established pursuant to the provisions of section  
24 33.800. The team shall begin the performance-based review no  
25 sooner than the final approval of the appropriations bills by  
26 the governor and complete the review no later than December  
27 thirty-first of the same year.

[23.200. The staff of the committee on  
legislative research shall prepare a  
2 transfer-revision bill to be submitted to the  
3 ninetieth general assembly to revise the statutes  
4 so as to reflect the changes made by or pursuant  
5 to this act; except that, the committee on  
6 legislative research shall use fully the provisions  
7 of section 3.060, RSMo, where such provisions will  
8 suffice. At such time as all statutory revision  
9 changes required pursuant to this act have gone  
10 into effect the revisor of statutes may prepare  
11 legislation to repeal this section.]

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