COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>LR No.</u>: 1368-01 <u>Bill No.</u>: SB 434

Subject: Campaign Finance: Public Officials

<u>Type</u>: Original

Date: February 20, 2003

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | | |
|--|----------|----------|----------|--|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 | |
| General Revenue | \$43,000 | \$10,000 | \$10,000 | |
| | | | | |
| Total Estimated Net Effect on General Revenue Fund | \$43,000 | \$10,000 | \$10,000 | |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | | |
|---|---------|---------|---------|--|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 | |
| | | | | |
| | | | | |
| Total Estimated Net Effect on Other State Funds | \$0 | \$0 | \$0 | |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

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| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | | |
|--|---------|---------|---------|--|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 | |
| | | | | |
| | | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 | |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|-------------------------------------|---------|---------|---------|
| FUND AFFECTED | FY 2004 | FY 2005 | FY 2006 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Missouri Ethics Commission** assume this proposal would have fiscal impact to their Commission. Officials stated that there would be new income of approximately \$10,000 generated by an annual lobbyist fee, and the Commission would realize savings of approximately \$33,000 from the elimination of printing and mailing of the Plain English Summary of the law.

Officials of the **Office of Attorney General** assume any cost could be absorbed with current appropriations..

Officials of the **Office of Secretary of State** assume no fiscal impact.

Officials of the **Office of State Court Administrator** assume no fiscal impact.

Officials of the **Department of Corrections** assume no fiscal impact

Officials of the **Kansas City Board of Election Commission** assume this proposal would have no fiscal impact to their Commission, however, officials assume this proposal could reduce some duties by taking the local election authority out of the requirement for receiving certain reports.

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| FISCAL IMPACT - State Government | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
|--|---------------------|-----------------|-----------------|
| GENERAL REVENUE FUND | | | |
| <u>Income</u> to Missouri Ethics Commission from annual lobbyist registration fee. | \$10,000 | \$10,000 | \$10,000 |
| <u>Savings</u> to Missouri Ethics Commission from printing and mailing requirements. | \$33,000 | <u>\$0</u> | <u>\$0</u> |
| ESTIMATED NET EFFECT TO GENERAL REVENUE FUND | <u>\$43,000</u> | <u>\$10,000</u> | <u>\$10,000</u> |
| FISCAL IMPACT - Local Government | FY 2004 (10 Mo.) | FY 2005 | FY 2006 |
| | <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.

DESCRIPTION

This act modifies provisions regarding lobbyist reporting requirements and campaign finance disclosure for public officials.

General Assembly office committees are required to be formed by candidates for certain leadership positions in the Missouri House of Representatives and the Missouri Senate. The appropriate officer for the filing of required reports shall be the secretary of the Senate for Senate offices and the clerk of the Missouri House for House offices. Contribution limits for candidates for President Pro Tem of the Senate, Speaker of the House and Speaker Pro Tem of the House shall be one thousand dollars. Limits for other leadership positions shall correspond to limits for senator and house candidates. General assembly office committees are prohibited from making contributions to the candidate committee of a candidate who controls the general assembly office committee.

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DESCRIPTION (continued)

Reports of lobbyist activities are due no later than January 5th of each year or within five days after beginning activities as a lobbyist. Financial interest statements are required to be filed electronically under the penalty of perjury in a form prescribed by the Missouri Ethics Commission. Certain candidates for elective office are required to file annual financial interest statements no later than March 31st or within 10 days of filing for office, whichever is later for the preceding calendar year. Candidates for election in April shall file such statements by January 31st for the preceding calendar year. Candidates nominated by political caucus shall file such statements within 10 days of nomination. The appointed election authority shall provide notice of such requirements to the candidates at the time of filing for office.

The Commission is required to provide notice, not actual notice, of certain actions to the subject of a complaint filed with the Commission. Notice requirements are also modified regarding the assessment of late fees by the Commission.

Contribution limits for single contributors to candidates are modified to correspond to limits for various elective offices and to allow for periodic increases based on the Consumer Price Index. Currently, the appropriate officer for the filing of required reports is both the Missouri Ethics Commission and an appropriate election authority. This act provides that the sole officer for filing of reports for certain candidates and ballot measures shall be the Missouri Ethics Commission.

The act reorganizes sections of law concerning reporting requirements for out-of-state committees and reporting requirements for candidates nominated by political party committees.

Currently, continuing committees are required to file electronic reports if the committee makes contributions of more than \$15,000. This act changes the amount to \$5,000. Beginning on a date established by the Commission, but no later than January 1, 2005, candidates for state representative and state senate shall file campaign disclosure reports in electronic format.

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 Secretary of State Office of Attorney General Missouri Ethics Commission Office of State Courts Administrator Department of Corrections

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Director

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