

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0458-01
Bill No.: SB 141
Subject: Campaign Finance; Ethics; Tax Credits
Type: Original
Date: February 16, 2011

Bill Summary: This proposal prohibits the receipt of tax credits by campaign contributions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
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 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Budget and Planning (BAP)** assume the proposed legislation should not result in additional costs or savings to BAP. This act disallows the receipt of certain tax credits by those who have made certain campaign contributions both two years before and two years after the receipt of the credit. This proposal has no direct impact on general and total state revenues, but may alter the market for tax credits and related activity.

Officials at the **Department of Economic Development** anticipates an unknown fiscal impact of under \$100,000 as a result of the proposed legislation. If it is determined an additional FTE is needed, DED will request the additional FTE through the normal budget process.

Officials at the **Department of Agriculture** assume this legislation will reduce participation in their tax credit programs. However, they cannot determine how much that reduction would be because there is no practical way to predict or estimate the percent of investors in our tax credit programs who routinely support the committees defined in the legislation. This could reduce our fee funds by \$0 to \$286,135. The range of reduction in fees funds mentioned above is based on the average fee revenue generated by all of the tax credit programs administered by MASBDA.

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

Officials at the **Department of Health and Senior Services, Department of Insurance, Financial Institutions and Professional Registration, Department of Natural Resources, Department of Revenue, Department of Social Services** and the **Missouri Ethics Commission** assume that there is no fiscal impact from this proposal.

Oversight assumes this proposal places additional restrictions on applicants for tax credits. The request for the additional information on the application should not result in additional administrative costs for the agencies. Therefore Oversight is assuming this proposal has no impact.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<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.

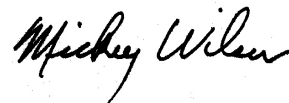
FISCAL DESCRIPTION

The proposed legislation appears to have no 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

Budget and Planning
Department of Agriculture
Department of Economic Development
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Natural Resources
Department of Revenue
Department of Social Services
Missouri Ethics Commission
Office of the Attorney General



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Director
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