

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1193-01
Bill No.: SB 237
Subject: Disabilities; Employees - Employers; Housing; Public Buildings
Type: Original
Date: February 13, 2015

Bill Summary: This proposal bars discrimination based on sexual orientation or gender identity.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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 fiscal note to the Secretary of State's Office 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, we also recognize 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 our office can sustain with our core budget. Therefore, we reserve 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.

Officials from the **Office of the Attorney General (AGO)** assume if passed, this proposal would enable new cases of alleged discrimination based on sexual orientation or gender identity to come before the Human Rights Commission. As a result, the AGO anticipates additional work in representing the Commission. At this time, it AGO officials can not estimate how many new claims would be filed by individuals alleging discrimination based on sexual orientation. AGO officials assume the number of claims in the first few years would be less than 10 and the AGO could 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** assume the Missouri Commission on Human Rights (MCHR) could absorb the increase in complaints with existing resources. However, if the number of cases is significant or additional legislation is enacted which increased other types of MCHR complaints, the impact would be substantial enough that the MCHR could not absorb the additional work without additional resources.

Officials from the **Office of Administration - Division of General Services** assume the proposed legislation would create additional categories of claims that could potentially be asserted against the state or other entities covered by the Legal Expense Fund. If such claims were successfully pursued, they could result in additional costs to the Legal Expense Fund. However, the amount of the potential costs resulting from this proposal, if any, cannot be reasonably estimated as this language creates new legal standards, subject to judicial interpretation, and there is no readily available information that could assist in forming a rational basis for estimating costs.

ASSUMPTION (continued)

In addition, the number of potential claims, the severity of those claims, and the ultimate costs associated with any settlement or judgments resulting from those claims cannot be forecasted with any degree of assurance to their accuracy.

The state self-assumes its own liability under the State Legal Expense Fund Section 105.711 RSMo. It is a self-funding mechanism whereby funds are made available for the payment of any claim or judgment rendered against the state in regard to the waivers of sovereign immunity or against employees and specified individuals. Investigation, defense, negotiation or settlement of such claims is provided by the Office of Attorney General. Payment is made by the Commissioner of Administration with the approval of the Attorney General.

Oversight assumes any impact to the State Legal Expense Fund would be nominal and could be absorbed with existing resources. If unanticipated costs are incurred or if multiple proposals are implemented which increase the division's workload, resources could be requested through the budget process.

Officials from the **Department of Agriculture, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education, Department of Social Services, Department of Insurance, Financial Institutions and Professional Registration, Department of Mental Health, Department of Natural Resources, Department of Corrections, Department of Revenue, Department of Public Safety (Office of the Director, Capitol Police, Alcohol & Tobacco Control, Fire Safety, Gaming Commission, Missouri Highway Patrol, Missouri National Guard, and the Veterans Commission), Office of the Governor, Joint Committee on Administrative Rules, Joint Committee on Public Employee Retirement, Legislative Research, Missouri Lottery Commission, Missouri Consolidated Health Care Plan, Missouri Department of Conservation, Missouri Ethics Commission, Department of Transportation, Office of Prosecution Services, Missouri State Employee's Retirement System, MoDOT & Patrol Employees' Retirement System, Office of Administration (Administrative Hearing Commission and Budget and Planning), Office of the State Courts Administrator, Office of the State Auditor, Missouri Senate, Office of the State Public Defender, Office of the State Treasurer, State Tax Commission, Platte County Board of Elections, Mississippi County, St. Louis County Directors of Elections, St. Louis County, Missouri Western University, State Technical College of Missouri, Missouri State University, University of Missouri, University of Central Missouri, Maltabend Public Schools, Special School District and Kansas City Public Schools** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<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

Attorney General's Office
Department of Agriculture
Bi-State Development
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education
Department of Social Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Natural Resources

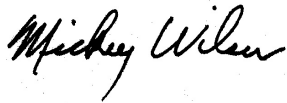
ASSUMPTION (continued)

Department of Corrections
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety
 Office of the Director
 Capitol Police
 Alcohol & Tobacco Control
 Fire Safety
 Gaming Commission
 Missouri Highway Patrol
 Missouri National Guard
 Veterans Commission
Office of the Governor
Joint Committee on Administrative Rules
Joint Committee on Public Employee Retirement
Legislative Research
Missouri Lottery Commission
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Missouri Ethics Commission
Department of Transportation
Office of Prosecution Services
Missouri State Employee's Retirement System
MoDOT & Patrol Employees' Retirement System
Office of Administration
 Administrative Hearing Commission
 Office of Administration - Budget and Planning
Office of the State Courts Administrator
Office of the State Auditor
Missouri Senate

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ASSUMPTION (continued)

Office of the Secretary of State
Office of the State Public Defender
Office of the State Treasurer
State Tax Commission



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February 13, 2015

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