COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT LEGISLATIVE RESEARCH COMMISSION 2017 REGULAR SESSION

MEASURE

2017 BR NUMBER <u>1563</u>

HOUSE BILL NUMBER 387

RESOLUTION NUMBER

AMENDMENT NUMBER

<u>SUBJECT/TITLE</u> An ACT relating to the Executive Branch Code of Ethics.

SPONSOR Representative Hale

NOTE SUMMARY

FISCAL ANALYSIS: \square IMPACT \square NO IMPACT \square INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:	STATE	LOCAL	FEDERAL

BUDGET UNIT(S) IMPACT: Executive Branch Ethics Commission

FUND(S) IMPACT:
GENERAL
ROAD
FEDERAL
ROAD
FEDERAL
ROAD
FEDERAL

FISCAL SUMMARY

FISCAL ESTIMATES	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			\$241,125
EXPENDITURES			
NET EFFECT			\$241,125

() indicates a decrease/negative

MEASURE'S PURPOSE: The purpose of this measure is to allow the Executive Branch Ethics Commission to turn over information relating to a preliminary investigation to any agency with jurisdiction to review, audit, or investigate the alleged offense. Secondly, the registration fee for executive agency lobbyists and real parties in interest will increase from \$125 to \$500 if this legislation is enacted.

PROVISIONS/MECHANICS: Section 1 amends KRS 11A.080 to allow the Executive Branch Ethics Commission to turn over information relating to a preliminary investigation to any agency with jurisdiction to review, audit, or investigate the alleged offense.

Section 2 amends KRS 11A.211 to increase the registration fee from \$125 to \$500 for executive agency lobbyists and real parties in interest.

FISCAL EXPLANATION: This legislation will have no fiscal impact in the current fiscal biennium. HB 80 from the 2016 regular session increased the registration fee for the current fiscal biennium from \$125 to \$500 for executive agency lobbyists and real parties in interest. Therefore, increasing the registration fee will not impact the agency until fiscal year 2018-2019.

There are currently 643 lobbyist employers and real parties in interest registered with the Executive Branch Ethics Commission. Based upon the current number of registrants and increasing the fee to \$500, the fiscal impact relative to existing statute is an increase in Restricted Funds revenue of \$241,125 ($$375 \times 643 = $241,125$).

However, the fiscal impact relative to fiscal year 2016-2017 and fiscal year 2017-2018 is zero, since HB 80 from the 2016 regular session has already set the fee at \$500 for the current fiscal biennium.

DATA SOURCE(S): <u>Executive Branch Ethics Commission</u> PREPARER: <u>Seth Dawson</u> NOTE NUMBER: <u>104</u> REVIEW: <u>JRS</u> DATE: <u>2/23/2017</u>

LRC 2017-BR1573- HB387