

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0554-02
Bill No.: HCS for HB 174
Subject: Economic Development Dept.; Housing; Licenses - Professional; Property, Real and Personal
Type: Original
Date: February 25, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
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 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development - Division of Professional Registration** assume the proposal will have no fiscal impact on their organization.

Officials from the **Office of Administration (COA) - Administrative Hearing Commission** assume the proposal will not significantly alter its caseload. However, if other similar proposals also pass, there are more cases, or more complex cases, there could be a fiscal impact.

Officials from the **Office of Attorney General (AGO)** assume this proposal would increase the duties of the AGO, which advises the Missouri Reals Estate Commission, to a limited extent. The AGO assumes this proposal would require the AGO to assist the Commission in the revocation of licenses in cases where certain criminal offenses are committed and assist in the appeals that may result from the revocations.

The AGO assumes that any potential costs arising from this proposal can be absorbed with existing resources. However, if multiple proposals pass during the legislative session that require the extension of existing duties to various commissions, the AGO will need to request additional staff to handle the increase in workload.

ASSUMPTION (continued)

Officials from the **COA - Division of Design and Construction** did not respond to our request for a statement of fiscal impact. However, in response to an earlier version of this proposal, Design and Construction assumed the proposal would have no fiscal impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

This proposal may fiscally impact small business real estate brokers.

DESCRIPTION

This proposal requires license revocation, or in the case of an applicant, prohibits the issuance of a real estate license if the licensee or applicant has been found guilty of certain felonies. A person whose license was revoked may appeal such revocation to the administrative hearing commission within 90 days of notice of the revocation. Failure to notify the commission of the intent to appeal waives all rights to appeal the revocation.

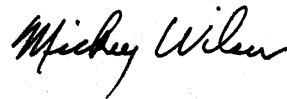
The definition of "exclusive brokerage agreement" is added to allow real estate brokers to act as the exclusive limited agents on behalf of their client provided the parties have entered into a written agency agreement.

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

Office of Attorney General
Office of Administration -
 Administrative Hearing Commission
Department of Economic Development -
 Division of Professional Registration

NOT RESPONDING: Office of Administration - Division of Design and Construction

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 25, 2005