

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0182H.02C
Bill No.: HCS for HB 195
Subject: Merchandising Practices; Consumer Protection; Courts; Civil Procedure
Type: Original
Date: April 13, 2021

Bill Summary: This proposal requires arbitration agreements for certain disputes to be in a separate agreement.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations, Attorney General's Office, Office of Administration – Administrative Hearing Commission, Department of Commerce and Insurance, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Revenue, Department of Health and Senior Services, Department of Natural Resources, Department of Corrections, Department of Labor and Industrial Relations, Department of Public Safety – Director's Office, Alcohol and Tobacco Control, Capitol Police, Fire Safety, National Guard, Highway Patrol, Veterans Commission, Department of Social Services, Missouri Ethics Commission, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Department of Transportation, MODOT – Patrol Employees' Retirement System, Office of Administration, Missouri State Public Defender, Office of the Secretary of State, Office of the Governor, Office of the Lieutenant Governor, Office of the State Auditor, Office of the State Treasurer, Economic & Policy Analysis Research Center, Missouri House of Representatives, Joint Committee on Administrative Rules, Joint Committee on Education, Legislative Research, Oversight Division, Missouri Senate, Missouri Lottery, Missouri State Employee Retirement System, Missouri Higher Education Loan Authority, Office of State Courts Administrator, and Missouri State Tax Commission** each assume that the proposal will have no direct fiscal impact on their respective organizations.

Officials from **Office of Administration (OA)** assume that the proposal will have no direct fiscal impact on their respective organizations.

Officials from the **Department of Mental Health** defer to the **Office of Administration** for the potential fiscal impact of this proposal.

Officials from the **City of Claycomo, City of Corder, Kansas City, and City of Springfield** each assume that the proposal will have no direct fiscal impact on their respective organizations.

Officials from the above organizations assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies and local political subdivisions.

Oversight notes that the House Committee Substitute adds subsection 2. (Section 407.028) allowing for opt-out clause in which both parties could agree to arbitration in a form of separate written agreement.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other state agencies, cities, and counties were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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

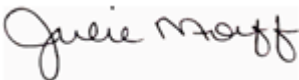
This bill specifies that no claim for damages brought under unlawful merchandising practices statutes will be subject to arbitration unless both parties agree to arbitration in a separate written agreement.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

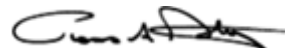
SOURCES OF INFORMATION

Department of Labor and Industrial Relations
Attorney General's Office
Office of Administration – Administrative Hearing Commission
Department of Commerce and Insurance
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Revenue, Department of Health and Senior Services
Department of Natural Resources
Department of Corrections
Department of Revenue
Department of Public Safety
Department of Social Services

Missouri Ethics Commission
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Department of Transportation
MODOT – Patrol Employees' Retirement System
Office of Administration
Missouri State Public Defender
Office of the Governor
Office of the Lieutenant Governor
Office of the State Auditor
Office of the State Treasurer
Economic & Policy Analysis Research Center
Missouri House of Representatives
Joint Committee on Administrative Rules
Joint Committee on Education
Legislative Research
Oversight Division
Missouri Senate
Missouri Lottery
Missouri State Employee Retirement System
Missouri Higher Education Loan Authority
Office of State Courts Administrator
Missouri State Tax Commission
Office of the Secretary of State
Department of Mental Health
City of Kansas City
City of Claycomo
City of Springfield
City of Corder



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Director
April 13, 2021



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Assistant Director
April 13, 2021