

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4493H.02C
 Bill No.: HCS for HB 2087
 Subject: Health Care Professionals; Insurance - Health
 Type: Original
 Date: February 26, 2024

Bill Summary: This proposal modifies provisions relating to financial transactions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	(Could Exceed \$24,223)	(Could Exceed \$59,297)	(Could Exceed \$60,483)
Total Estimated Net Effect on General Revenue	(Could Exceed \$24,223)	(Could Exceed \$59,297)	(Could Exceed \$60,483)

*These amounts reflect the expected additional costs to the Department of Corrections for a new class E felony created in §361.981. Also, the interest on or income from green bonds would be exempt from Missouri income tax. Oversight assumes the Unknown potential impact to the state would not reach the \$250,000 threshold.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Division of Finance Fund (0550)**	(Unknown) to Unknown	(Unknown) to Unknown	(Unknown) to Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown) to Unknown	(Unknown) to Unknown	(Unknown) to Unknown

Oversight assumes the Department of Commerce and Insurance – Division of Finance will charge and collect fees sufficient to cover their cost to administer the new Money Modernization Act of 2024. Oversight assumes the net difference between fees and costs each year will **not reach the \$250,000 threshold.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 2025	FY 2026	FY 2027
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 108.170 – Bond Provisions

Officials from the **Metropolitan St. Louis Sewer District** 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.

§108.371 – Municipal Green Bonds

In response to a similar proposal from this year (HB 1725), officials from the **Office of Administration - Budget and Planning (B&P)** assumed this proposal would allow municipalities to issue bonds for certain “green” projects. This proposal would also exempt all interest and income earned from the green bonds from Missouri income tax. B&P notes that per Section 143.121.2(2) the interest from municipal bonds are already exempt from Missouri income tax. Therefore, if this proposal leads to the issuance of additional municipal bonds than what would have otherwise been issued under general obligation bonds, then this proposal could result in an unknown reduction to GR. Therefore, B&P estimates that this proposal may reduce TSR and GR by \$0 to (Unknown).

B&P further notes that per subsection 4, if a review of a municipal bond determines that less than 85% of the revenues were used on a qualifying green project, the bonds would lose their tax-exempt status under this proposal. However, as noted above Section 143.121.2(2) already exempts municipal bonds from Missouri income taxes. Therefore, B&P assumes that even if the bonds lose their “green” status, the interest would remain exempt from taxation under Section 143.121.

Officials from the **Department of Revenue (DOR)** assume this proposal would allow for the issuance of municipal green bonds to support certain environmentally friendly activities. The interest on or income from such bonds would be exempt from Missouri income tax (Section 108.371.3) although apparently not exempt from some or all of Missouri’s financial institution taxes.

This proposal refers to the municipal green bonds as being rated, certified, validated or reviewed but it is unclear who is to do this rating. If DOR is expected to do this, it is outside DOR’s area of expertise, and DOR would need to hire additional FTE to handle this. The FTE needed is unknown at this time.

This provision is being placed in the statutes regarding general obligation bonds. However, it is not clear if this will be a new type of general obligation bond. If this proposal allows municipalities to issue these green bonds in lieu of their general obligation bond, then no additional impact may be expected.

However, if this proposal encourages the creation of additional bonds, and these bonds are exempt from income tax, then this could result in an Unknown negative impact on general revenue. This proposal could result in a \$0 to Unknown negative impact to general revenue.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the B&P and DOR.

In response to a similar proposal from this year (HB 1725), officials from **Kansas City** assumed this legislation would have a negative fiscal impact of an indeterminate amount.

Oversight has requested additional information from Kansas City regarding their response. Oversight received a limited number of responses from cities and counties related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of this information, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note if needed.

Sections 130.011, 130.021, 130.031, 130.036, and 130.041 – Mobile Campaign Payments

In response to a similar proposal from this year (HB 1504), officials from the **Missouri Ethics Commission** stated the proposed legislation does not have fiscal impact on the Missouri Ethics Commission. It is assumed this prohibition would result in a minimal number of complaints; however, if this assumption is incorrect the Commission may require additional staff resources.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Sections 361.900– 361.1035 – Money Transmitter

Officials from the **Department of Commerce and Insurance (DCI) – Division of Finance (DOF)** assume the following:

DOF assumes these sections authorize the director of the Division of Finance to administer, interpret, and enforce Sections 361.800-361.840. It provides rulemaking authority for DOF and addresses confidentiality of information submitted by licensees and applicants. It further permits the director to enforce sections and regulations pertaining to money transmitters including the federal Bank Secrecy Act and the USA Patriot Act; and outlines required submissions by applicants for a money transmitter license.

All revenue and expenses would be deposited and deducted from the Division of Finance Fund (0550).

Revenue Estimate

Money transmitter companies are currently licensed under Sections 361.700-361.727. If passed these sections would be repealed and replaced by Sections 361.900-361.1035. For the purposes of this estimate, DOF assumes all of the 171 entities currently licensed under 361.700-361.727 would convert their license to that which is authorized by Sections 361.900-361.1035.

Section 361.921

This section allows DOF to charge each money transmitter licensed under these sections for costs associated with their annual examinations. DOF assumes the commissioner will set licensure and renewal fees at a level to sustain the program without charging for licensee examinations.

Section 361.936

An Initial Application Fee and a License Fee set by the commissioner is required with the submission of an application for license. The fee would be set based on the cost to sustain operation of the licensure program. Licenses would be effective on the date of issuance by DOF and would expire on December 31 of each year. Annual renewal fees would be set by the commissioner based on the total operating expenses of the program.

Section 361.951

A fee set by the commissioner is required to accompany a request to acquire control of a licensee along with an application for acquisition. DOF estimates that 10%, or 9 such transactions would take place each year. The fee would be set at an amount sufficient to sustain operation of the program based on estimated operating costs.

Section 361.1026

This section authorizes the director to assess civil penalties for violations of 361.900-361.1035.

Revenue Loss

Since all of those currently licensed under Sections 361.700-361.727 are assumed to transition to these new licenses, DOF expects a loss of revenue from renewals under 361.700-361.727. The fee for renewals is \$400 annually, resulting in a revenue loss of an estimated \$68,400.

Expense Estimate

Expense estimates include a 2% annual inflation rate.

Section 361.921.1(1)

DOF assumes this section authorizes examinations of licensees which would be conducted by a Senior Consumer Credit Examiner. Regular examinations would take place biennially, with half of the licensees examined each year. This would require an estimated 86 examinations be performed each year. It is estimated that a Senior Consumer Credit Examiner would spend an

average of forty hours to complete an examination. Completed examinations would be submitted to the central office of the Division for compilation and formatting by an Administrative Office Support Assistant (AOSA). Examinations would be reviewed and approved by the Supervisor of Consumer Credit, estimated to take three hours for each examination.

Based on the average salaries of \$53.15 for a Senior Consumer Credit Examiner; \$19.91 per hour for an AOSA; and \$64.46 for the Supervisor of Consumer Credit. The personal service cost for each examination is estimated at \$2,339. Travel expenses are estimated at \$500 - \$2,500 per examination depending on the location of the licensee. For this estimate, the median of \$1,500 per exam was used.

Applications submitted pursuant to Section 361.936 would be reviewed by a Senior Consumer Credit Examiner, requiring an estimated 8 hours each; the Supervisor of Consumer Credit would spend an average of 1 hour reviewing recommendations of the Senior Consumer Credit Examiner regarding licensure approval or denial. It would take an average of 1 hour for the AOSA to process the approval or denial of each application.

Renewal of licenses for money transmitters would be completed on an annual basis, beginning January 1 after of the date of original issuance. Because the number of money transmitters has been fairly stable, it is estimated that ten would opt not to renew their licenses in FYs 2026 and 2027, but would be replaced by new licensees. Renewal requests would be reviewed by a Senior Consumer Credit Examiner, taking an average of 6 hours each. Review of the recommendation for approval or denial would be handled by the Supervisor of Consumer Credit taking approximately one hour. The AOSA would then process the renewal license or denial at one hour per license.

Those entities seeking to acquire control of a money transmitter license are required to submit an application for acquisition. DOF assumes approximately 10% of licenses would have an acquisition application filed each year. For these 9 applications, an average of eight hours would be required for review by a Senior Consumer Credit Examiner, one hour of review of the recommendation of approval or denial by the Supervisor of Consumer Credit, and one hour to process the approval or denial of the acquisition.

Sections 361.957 – 361.963

DOF assumes these sections require money transmitters to submit several reports to the Division including financial statements, reports of condition, and special events that affect the licensee. DOF estimates it would take a Senior Consumer Credit Examiner six hours to review each report and the Supervisor of Consumer Credit an average of one hour each to address any concerns identified by the Examiner.

Fringe Benefits are estimated at the standard rate.

Supplies and expenses for employees assigned to this program are estimated at \$11,261 per FTE annually. Because the majority of Consumer Credit examination staff are telecommuters, rent

and janitorial expenses would only be necessary for the AOSA and Supervisor positions.

DOF administrative support services, including general administration, training, human resources, accounting, budget, legal, and information technology services are covered in a 15% administrative overhead rate. This includes promulgation of rules and development of forms and websites to support these sections.

Cost Savings

Since those currently licensed under Sections 361.700-361.727 would transition to these new licenses, DOF expects that 171 renewals will not be processed, saving an estimated \$68,400.

DOF assumes that this workload would be picked up by existing staff since repealed Sections 361.700-361.727 would eliminate some existing workload.

Because the commissioner determines the fees associated with licensures and renewals under 361.900-361.1035, DOF assumes the fees would be set at a level sufficient to sustain the operations of the program. Therefore, the net effect on the Division of Finance Fund (0550) would be \$0.

Listed below is a summary revenue and expenses expected by DCI-DOF as a result of this proposal.

	FY 2025	FY 2026	FY 2027
Revenue – Money Transmitter Fees	\$680,533	\$694,144	\$708,028
Cost Avoidance	\$68,400	\$68,400	\$68,400
FTE Expense	(\$680,533)	(\$694,144)	(\$708,028)
Licensing Fees Loss	(\$68,400)	(\$68,400)	(\$68,400)
Total	\$0	\$0	\$0

Oversight notes the cost related to the FTE expense provided by DOF is for existing staff and not additional FTE. Oversight assumes DOF will have some additional expense related to the proposal, however, Oversight also assumes DOF will set the associated fees of the newly created license sufficient enough to sustain the program without any additional cost or loss to the department. Oversight will reflect an unknown revenue and an unknown cost to the Division of Finance Fund (0550).

DOF assumes all of the 171 entities currently licensed under 361.700-361.727 would convert their license to that which is authorized

Oversight assumes Therefore, Oversight will reflect the fiscal estimate to the Division of Finance Fund (0550) as a net revenue of Unknown.

In response to a similar proposal from this year (HB 1478), officials from the **Department of Corrections (DOC)** assumed this proposal creates new provisions relating to money transmission.

Section 361.981 requires an authorized delegate who holds money in trust for the benefit of a licensee to remit certain amounts of money. Depending on the amount, the failure to remit this money could result in a class A misdemeanor or a class E felony.

Section 361.1023 creates two new class E felonies, one for intentional misrepresentation and one for knowingly engaging in certain activities without a license, and one new class A misdemeanor.

As misdemeanors fall outside the purview of the Department of Corrections, DOC will not be analyzing their projected impact. Thus, as it relates to DOC, the intent of the bill is to create three new class E felony offenses.

For each new nonviolent class E felony, the department estimates one person could be sentenced to prison and two to probation. The average sentence for a nonviolent class E felony offense is 3.4 years, of which 2.1 years will be served in prison with 1.4 years to first release. The remaining 1.3 years will be on parole. Probation sentences will be 3 years.

The combined cumulative estimated impact on the department is 6 additional offenders in prison and 21 additional offenders on field supervision by FY 2027.

Change in prison admissions and probation openings with legislation

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
New Admissions										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	3	3	3	3	3	3	3	3	3	3
Probation										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	6	6	6	6	6	6	6	6	6	6
Change (After Legislation - Current Law)										
Admissions	3	3	3	3	3	3	3	3	3	3
Probations	6	6	6	6	6	6	6	6	6	6
Cumulative Populations										
Prison	3	6	6	6	6	6	6	6	6	6
Parole	0	0	3	3	3	3	3	3	3	3
Probation	6	12	18	18	18	18	18	18	18	18
Impact										
Prison Population	3	6	6	6	6	6	6	6	6	6
Field Population	6	12	21	21	21	21	21	21	21	21
Population Change	9	18	27	27	27	27	27	27	27	27

* If this impact statement has changed from statements submitted in previous years, it could be due to an increase/decrease in the number of offenders, a change in the cost per day for institutional offenders, and/or an increase in staff salaries.

If the projected impact of legislation is less than 1,500 offenders added to or subtracted from the department’s institutional caseload, the marginal cost of incarceration will be utilized. This cost of incarceration is \$26.545 per day or an annual cost of \$9,689 per offender and includes such costs as medical, food, and operational E&E. However, if the projected impact of legislation is 1,500 or more offenders added or removed to the department’s institutional caseload, the full cost of incarceration will be used, which includes fixed costs. This cost is \$99.90 per day or an annual cost of \$36,464 per offender and includes personal services, all institutional E&E, medical and mental health, fringe, and miscellaneous expenses. None of these costs include construction to increase institutional capacity.

DOC’s cost of probation or parole is determined by the number of P&P Officer II positions that are needed to cover its caseload. The DOC average district caseload across the state is 51 offender cases per officer. An increase/decrease of 51 cases would result in a cost/cost avoidance equal to the salary, fringe, and equipment and expenses of one P&P Officer II. Increases/decreases smaller than 51 offender cases are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

A summary of DOC cost is provided in the table below:

	# to prison	Cost per year	Total Costs for prison	# to probation & parole	Cost per year	Total cost for probation and parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	3	(\$9,499)	(\$24,223)	0	absorbed	\$0	(\$24,223)
Year 2	6	(\$9,499)	(\$59,297)	0	absorbed	\$0	(\$59,297)
Year 3	6	(\$9,499)	(\$60,483)	0	absorbed	\$0	(\$60,483)
Year 4	6	(\$9,499)	(\$61,692)	0	absorbed	\$0	(\$61,692)
Year 5	6	(\$9,499)	(\$62,926)	0	absorbed	\$0	(\$62,926)
Year 6	6	(\$9,499)	(\$64,185)	0	absorbed	\$0	(\$64,185)
Year 7	6	(\$9,499)	(\$65,468)	0	absorbed	\$0	(\$65,468)
Year 8	6	(\$9,499)	(\$66,778)	0	absorbed	\$0	(\$66,778)
Year 9	6	(\$9,499)	(\$68,113)	0	absorbed	\$0	(\$68,113)
Year 10	6	(\$9,499)	(\$69,476)	0	absorbed	\$0	(\$69,476)

Oversight does not have any information to the contrary. Therefore, Oversight will reflect estimate provided by DOC to the General Revenue Fund for FY 2025, FY 2026 and FY 2027.

Officials from the **Office of the State Public Defender (SPD)** state per the recently released National Public Defense Workload Study, the new charge contemplated by this changes to

Sections 361.939, 361.984, and 361.1023 would take approximately twenty-two hours of SPD work for reasonably effective representation. If one hundred cases were filed under this section in a fiscal year, representation would result in a need for an additional attorney. Because the number of cases that will be filed under this statute is unknown, the exact additional number of attorneys necessary is unknown. Each case would also result in unknown increased costs in the need for core staff, travel and litigation expenses.

Oversight assumes this proposal will create a minimal number of new cases and that the SPD can absorb the additional caseload required by this proposal with current staff and resources. Therefore, Oversight will reflect no fiscal impact to the SPD for fiscal note purposes. However, if multiple bills pass which require additional staffing and duties, the SPD may request funding through the appropriation process.

In response to a similar proposal from this year (SB 737), officials from the **Office of the State Courts Administrator (OSCA)** assumed there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

In response to a similar proposal from this year (HB 1478), officials from the **Office of Budget & Planning** stated this proposal creates new class E felonies and class A misdemeanors. To the extent that any related fines are deposited into the state treasury, this proposal could increase total state revenue by an unknown amount.

DOF has previously assumed that all of the entities currently licensed would convert their license to that which is authorized under the new sections. Because the commissioner determines the fees associated with licensures and renewals under this legislation, DOF has previously assumed the fees would be set at a level sufficient to sustain the operations of the program and furthermore assumed the net effect on the fund balance would be \$0. B&P notes that TSR may be impacted if fees and revenues are set at a level where the net impact on the fund is not \$0.

Officials from the **Missouri Sheriffs' Retirement System** state that this legislation may have a negative impact if this legislation passes. The Retirement System hires investment managers to invest its assets based on the investment policy. Setting constraints on investment guidelines has a potential of limiting investment earnings used to finance the retirement system. At the time the negative impact is unknown.

Oversight assumes because the potential of limiting investment earnings is speculative that the Missouri Sheriffs' Retirement System will not incur significant cost related to this proposal. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 427.300 – Financial Disclosure Law

Officials from the **Department of Commerce and Insurance (DCI)** state (Section 427.300) there are very few companies that provide the types of commercial financing products described in this section, though the Division of Finance (DOF) does not have an exact number. When California passed something similar, they had two companies; DOF assumes Missouri will have less than five. The initial registration would be set at \$100 each, so up to \$500 total revenue in the first year. If all of the companies renewed annually, at \$50 each, subsequent years' revenue would be \$250. The registration process is not work-intensive and would cost about \$36.53 to process (½ hour for an AOSA @\$19.91/hour + ½ hour for an Examiner @ \$53.15/hour = \$36.53). For five registrations, each year would cost \$182.61. Since there is no review or enforcement authority granted in the language, that is the extent of the fiscal impact.

	FY 2024	FY 2025	FY 2026
Revenue	\$0-\$500	\$0-\$250	\$0-250
Expense	(\$183-\$0)	(\$186-\$0)	(\$190-\$0)
Net Effect	\$0-\$317	\$0-\$64	\$0-\$60

Oversight assumes these amounts are not material and will not reflect them in the fiscal note.

In response to a similar proposal from 2023 (SB 187), officials from the **Attorney General's Office (AGO)** assumed no fiscal impact from the proposal.

Oversight also notes §427.300.6 requires that any person who violates this section shall be punished by a fine of \$500 per incident, not to exceed \$20,000 for all aggregated violations. Any person who violates this section after receiving written notice of prior violation from the AGO shall be punished by a fine of \$1,000 per incident, not to exceed \$50,000 for all aggregated violations. Oversight will assume any potential fine revenue generated from this subsection will be distributed to local school districts instead of being credited to the state's Merchandising Practices Revolving Fund. For simplicity, Oversight will reflect a \$0 or Unknown amount of fine revenue received by school districts. Oversight notes these amount may act as a deduction in the following year school funding formula; however, Oversight will simply reflect a possible positive impact to schools from the fine revenue.

Bill as a whole:

Officials from the **Office of Administration - Administrative Hearing Commission**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Public Safety – Capitol Police, Fire Safety, Gaming Commission, Highway Patrol, Veterans Commission, State Emergency Management Agency, Office of the Governor**, the **Missouri Department of Agriculture**, the **Missouri National Guard**, the **MoDOT & Patrol Employees' Retirement System**, the **Office of the State Treasurer** the **Office of the State Auditor**, the **Joint Committee on Administrative Rules**, the **Joint Committee on Education**, the **Legislative Research**, the **Oversight Division**, the **Missouri Senate**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the

Missouri State Employees Retirement System, the **State Tax Commission**, the Metropolitan **St. Louis Sewer District**, the **South River Drainage District** and the **St. Charles County Pwsd** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note 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 SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 the office can sustain with its core budget. Therefore, the SOS reserves 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities, counties, nursing homes, fire protection districts, schools, utility districts, hospitals and colleges were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Cost – DOC</u> Incarceration Cost §§361.900-631.1035	<u>(\$24,223)</u>	<u>(\$59,297)</u>	<u>(\$60,483)</u>
<u>Loss – DOR – of revenues from interest and income earned on green bonds being exempt from MO income taxes §108.371</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Could Exceed \$24,223)</u>	<u>(Could Exceed \$59,297)</u>	<u>(Could Exceed \$60,483)</u>
DIVISION OF FINANCE FUND (0550)			
<u>Revenue – DOF - Application, Licensing & Acquisitions from Money Transmission Modernization Act of 2024</u>	Unknown	Unknown	Unknown
<u>Cost – DOF - FTE additional workload and additional costs implementing the Money Transmission Modernization Act of 2024</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>Savings – DOF repeal of Sections 361.700-361.727 – administrative costs</u>	\$68,400	\$68,400	\$68,400
<u>Loss – DOF of licensing fees from repeal of Sections 361.700-361.727</u>	<u>(\$68,400)</u>	<u>(\$68,400)</u>	<u>(\$68,400)</u>
ESTIMATED NET EFFECT TO THE DIVISION OF FINANCE FUND	<u>(Unknown) to Unknown</u>	<u>(Unknown) to Unknown</u>	<u>(Unknown) to Unknown</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
SCHOOL DISTRICTS			
<u>Potential Fine Revenue – to school districts – RSMo §427.300.6</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT TO SCHOOL DISTRICTS	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

FISCAL IMPACT – Small Business

A direct fiscal impact to small businesses that act as a money transmitter would be expected as a result of this proposal as well as certain small financing businesses.

FISCAL DESCRIPTION

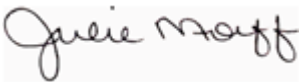
This proposal modifies provisions relating to financial transactions.

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

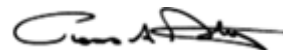
SOURCES OF INFORMATION

- Attorney General’s Office
- Department of Commerce and Insurance
- Department of Economic Development
- Department of Elementary and Secondary Education
- Department of Higher Education and Workforce Development
- Department of Health and Senior Services
- Department of Mental Health
- Department of Natural Resources
- Department of Corrections
- Department of Labor and Industrial Relations
- Department of Revenue
- Department of Public Safety
- Department of Social Services
- Office of the Governor
- Joint Committee on Public Employee Retirement
- Joint Committee on Administrative Rules
- Missouri Lottery Commission

Legislative Research
Oversight Division
Local Government Employees Retirement System
Missouri Consolidated Health Care Plan
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Ethics Commission
Missouri House of Representatives
Office of the Lieutenant Governor
Missouri Department of Transportation
Missouri State Employee's Retirement System
MoDOT & Patrol Employees' Retirement System
Missouri Office of Prosecution Services
Office of Administration
Facilities Management, Design and Construction
Office of the State Courts Administrator
Office of the State Auditor
Missouri Senate
Office of the Secretary of State
Office of the State Public Defender
Office of the State Treasurer
Public Schools and Education Employee Retirement Systems
State Tax Commission



Julie Morff
Director
February 26, 2024



Ross Strobe
Assistant Director
February 26, 2024