

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1377H.01I
Bill No.: HB 509
Subject: Elections; Science and Technology; Crimes and Punishment
Type: Original
Date: January 26, 2025

Bill Summary: This proposal modifies provisions relating to electronic communications.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

*Oversight assumes the impact will be under the \$250,000 threshold.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Merchandising Practices Revolving Fund (0631)*	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

*Oversight assumes this proposal could increase collections by the AGO from offenders but assumes the amount of collections would not reach the \$250,000 threshold.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§407.1095, 407.1098, 407.1101, 407.1104, and 407.1115 – Caller Identification Spoofing

Officials from the **Office of State Courts Administrator (OSCA)** state 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 notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 to (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

In response to similar legislation from 2024 (HCS HB Nos. 2628 & 2603), **Oversight** inquired of the AGO regarding the number of cases resolved in the past and the amount collected in judgements. The money received for judgements goes to the Merchandising Practices Revolving Fund (0631). This is the information they provided:

<u>Year</u>	<u># of cases</u>	<u>Judgements</u>	<u># of collections</u>	<u>Collections</u>
2014	17	\$758,000	12	\$260,500
2015	7	\$1,109,000	4	\$605,917
2016	6	\$43,000	4	\$18,000
2017	11	\$805,433	6	\$305,433
2018	1	\$500,133	1	\$135
2019	1	\$85,000	1	\$8,500
2020	0	\$0	0	\$0
2021	0	\$0	0	\$0
2022	0	\$0	0	\$0
2023	3	\$244,753,640	2	\$15,000

Oversight assumes this proposal may increase the number of cases referred to

the AGO and could result in an increase in fine collections under this chapter. Oversight will reflect a \$0 or Unknown (assumed to be less than \$250,000 in additional collections resulting from these changes) positive fiscal impact to the Merchandising Practices Revolving Fund.

Officials from the **Office of the State Public Defender (SPD)** state per the National Public Defense Workload Study, the new charge contemplated by this change to Section 407.1115, which will impact SPD's child clients, would each take approximately fourteen hours of SPD work for reasonably effective representation. If one hundred cases were filed under either of these sections 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. However, if the charge was classified as a class D misdemeanor no jail time would be authorized and the cases would not qualify for SPD representation.

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.

Officials from the **Department of Corrections (DOC)** state section 407.1115 penalties are all misdemeanors, and as misdemeanors fall outside the purview of the Department of Corrections, this legislation will have no impact on the department.

Officials from the **Department of Public Safety - Missouri Highway Patrol** and **Missouri Office of Prosecution Services** 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE			
<u>Cost – OSCA (§§407.1095 – 407.1115)</u> Potential cost relating to electronic communications	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)	<u>\$0 to</u> (Unknown)

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
MERCHANDISING PRACTICES REVOLVING FUND (0631)			
<u>Revenue</u> - AGO (§§407.1095 – 407.1115) Potential increase in judgement collections for expansion of Telemarketing No-Call statutes	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
ESTIMATED NET EFFECT TO THE MERCHANDISING PRACTICES REVOLVING FUND (0631)	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<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

ELECTRONIC COMMUNICATIONS (Sections 407.1095, 407.1098, 407.1101, 407.1104, and 407.1115)

The bill adds business subscribers to the No-Call List and specifies that a person does not have to renew his or her objection to receiving solicitations.

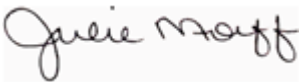
The bill establishes the "Caller ID Anti-Spoofing Act" which creates the offense of caller identification spoofing. The first offense is a class C misdemeanor and any subsequent offenses are a class A misdemeanor. Exceptions to the offense are specified in the bill.

The recipient of any call in which the caller uses false caller ID information has standing to recover punitive damages against the caller in an amount up to \$5,000 per call. Call recipients may bring action under this section as a class. The Attorney General may initiate legal proceedings or intervene in legal proceedings on behalf of call recipients.

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 Corrections
Department of Public Safety - Missouri Highway Patrol
Missouri Office of Prosecution Services
Office of the State Courts Administrator
Office of the State Public Defender



Julie Morff
Director
January 26, 2025



Jessica Harris
Assistant Director
January 26, 2025