

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4481H.01I  
Bill No.: HB 2175  
Subject: Religion; Contracts and Contractors  
Type: Original  
Date: March 11, 2026

---

Bill Summary: This proposal voids any contracts or court decisions that rely on foreign or shari'a law.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

| FUND AFFECTED                                        | FY 2027                 | FY 2028                 | FY 2029                 |
|------------------------------------------------------|-------------------------|-------------------------|-------------------------|
| General Revenue*                                     | \$0 or (Unknown)        | \$0 or (Unknown)        | \$0 or (Unknown)        |
|                                                      |                         |                         |                         |
| <b>Total Estimated Net Effect on General Revenue</b> | <b>\$0 or (Unknown)</b> | <b>\$0 or (Unknown)</b> | <b>\$0 or (Unknown)</b> |

\*OSCA potential unknown increase in court costs assumed to be less than \$250,000 annually.

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

| FUND AFFECTED                                                 | FY 2027    | FY 2028    | FY 2029    |
|---------------------------------------------------------------|------------|------------|------------|
|                                                               |            |            |            |
|                                                               |            |            |            |
| <b>Total Estimated Net Effect on <u>Other</u> State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

| FUND AFFECTED                                                 | FY 2027    | FY 2028    | FY 2029    |
|---------------------------------------------------------------|------------|------------|------------|
|                                                               |            |            |            |
|                                                               |            |            |            |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

| FUND AFFECTED                            | FY 2027  | FY 2028  | FY 2029  |
|------------------------------------------|----------|----------|----------|
|                                          |          |          |          |
|                                          |          |          |          |
| <b>Total Estimated Net Effect on FTE</b> | <b>0</b> | <b>0</b> | <b>0</b> |

☐ 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 2027    | FY 2028    | FY 2029    |
|-------------------------|------------|------------|------------|
|                         |            |            |            |
|                         |            |            |            |
| <b>Local Government</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§§506.602 and 508.074 – Voids Contracts or Court Decisions that Rely on Foreign or Shari’a Law**

Officials from the **Office of the State Courts Administrator (OSCA)** state HB 2175 may have some impact but there is no way to quantify that amount 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 or (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.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Labor and Industrial Relations, Missouri Department of Conservation, Missouri Department of Transportation, Office of Administration and Office of the Secretary of State** 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 2027<br>(10 Mo.)         | FY 2028                     | FY 2029                     |
|-------------------------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>GENERAL REVENUE</b>                                                              |                             |                             |                             |
|                                                                                     |                             |                             |                             |
| <u>Cost – OSCA (§§506.602 and 508.074)</u><br>Potential increase in court costs p.3 | \$0 or<br>(Unknown)         | \$0 or<br>(Unknown)         | \$0 or<br>(Unknown)         |
|                                                                                     |                             |                             |                             |
| <b>ESTIMATED NET EFFECT ON<br/>GENERAL REVENUE</b>                                  | <b>\$0 or<br/>(Unknown)</b> | <b>\$0 or<br/>(Unknown)</b> | <b>\$0 or<br/>(Unknown)</b> |

| <u>FISCAL IMPACT – Local Government</u> | FY 2027<br>(10 Mo.) | FY 2028           | FY 2029           |
|-----------------------------------------|---------------------|-------------------|-------------------|
|                                         |                     |                   |                   |
|                                         | <b><u>\$0</u></b>   | <b><u>\$0</u></b> | <b><u>\$0</u></b> |
|                                         |                     |                   |                   |

FISCAL IMPACT – Small Business

No direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill creates the "No Shari'a Act", which prohibits the application of Shari'a law or any foreign law, legal code, or system that denies fundamental liberties, rights, and privileges guaranteed under the U.S. Constitution.

The following types of such law, codes, or systems will be deemed void and unenforceable:

- (1) A ruling or decision of a state court, arbitration panel, or administrative agency;
- (2) A contract or contractual provision that provides for the choice of Shari'a law or any foreign law, legal code, or system; and
- (3) A contract or contractual provision that grants jurisdiction to a foreign tribunal.

The provisions of this bill must be construed to:

- (1) Disapprove or abrogate existing precedent of the Missouri Supreme Court;
- (2) Limit adjudication of ecclesiastical matters of a religious organization, including the selection, appointment, discipline, or removal of clergy or interpretation of doctrine;
- (3) Apply to corporations, partnerships, or associations that voluntarily subject themselves to foreign law or courts; or
- (4) Apply where Federal law preempts State law, including obligations under treaties or international agreements.

No state court, arbitration panel, tribunal, or administrative agency will transfer any civil actions if such transfer would result in the application of Shari'a law or any other foreign law, legal code, or system that would violate or likely violate the fundamental liberties, rights, and privileges guaranteed under the U.S. Constitution or Missouri Constitution.

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  
Office of Administration - Administrative Hearing Commission  
Department of Labor and Industrial Relations  
Missouri Department of Conservation  
Missouri Department of Transportation  
Office of Administration  
Office of the State Courts Administrator  
Office of the Secretary of State



Julie Morff  
Director  
March 11, 2026



Jessica Harris  
Assistant Director  
March 11, 2026