

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5376H.01I
Bill No.: HB 1878
Subject: Children and Minors; Internet and E-Mail; Liability; Civil Procedure
Type: Original
Date: January 15, 2026

Bill Summary: This proposal establishes provisions relating to civil liability for publishing or distributing material harmful to minors on the internet.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§537.104 – Civil Liability for Distributing Material Harmful to Minors on the Internet

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 **Department of Commerce and Insurance, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Labor and Industrial Relations, Department of Revenue, Department of Public Safety - Missouri Highway Patrol, Department of Social Services, Office of the State Courts Administrator 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.

Oversight notes that according to the 2020 US Census for the State of Missouri, there were approximately 1.37 million minors ages 0 to 17. Assuming if only 0.1% of the parents of those minors are impacted by the proposed legislation, this could potentially result in approximately 1,370 new liability claims. Oversight could not find any information on the number of potential liability claims related to age-verification methods; therefore, Oversight assumes the number of new claims is ultimately unknown.

This proposal has an emergency clause.

<u>FISCAL IMPACT – State Government</u>	FY 2027	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Small business law firms could be impacted as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety - Missouri Highway Patrol
Department of Social Services
Office of the State Courts Administrator
Office of the Secretary of State



Julie Morff
Director
January 15, 2026



Jessica Harris
Assistant Director
January 15, 2026