

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5584S.02C
 Bill No.: SCS for HB 2383
 Subject: Crimes and Punishment; Telecommunications; Utilities
 Type: Original
 Date: April 20, 2026

Bill Summary: This proposal creates and modifies provisions relating to criminal offenses involving certain infrastructures.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
General Revenue*	(Could exceed \$1,011,230)	(Could exceed \$272,291)	(Could exceed \$472,744)	(Could exceed \$508,129)
Total Estimated Net Effect on General Revenue	(Could exceed \$1,011,230)	(Could exceed \$272,291)	(Could exceed \$472,744)	(Could exceed \$508,129)

*DOC notes that current capacity will be met by July 2029 (FY 2030) or potentially much sooner. Therefore, Oversight has made the decision to reflect the marginal cost of incarceration up to an unknown cost if DOC needs to add staff and/or rehabilitate, expand or construct additional capacity. Oversight assumes the unknown cost has the potential to exceed \$250,000.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2030)
General Revenue	0 FTE	0 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	0 FTE	0 FTE	1 FTE	1 FTE

- 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	Fully Implemented (FY 2030)
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§301.010, 301.218, 301.225, 407.298, 407.299, 407.300, 407.303 & 407.304 – Regulation of Certain Metals

Officials from the **Department of Revenue (DOR)** assume the following regarding this proposal:

Administrative Impact

To implement the proposed changes, the Department of Revenue would be required to:

- Create new online resource for public use
- Create new online reporting for licensees, DOR reporting of licensee information, and for law enforcement purposes
- Update current procedures, correspondence letters, and information on the website
- Implement new call lines and/or update current lines to handle these calls
- Update the Dealer and Business operating manual
- Send communications to stakeholders as applicable

FY 2027 – Systems Analysis & Support

Associate Research/Data Analyst 996 hrs. @ \$31.16/hr. = \$31,035

Research/Data Analyst 249 hrs. @ \$37.14/hr. = \$9,248

Administrative Manager 125 hrs. @ \$51.40/hr. = \$6,425

FY 2027 – Strategy & Communications Office

Associate Research/Data Analyst 150 hrs. @ \$31.16/hr. = \$4,674

Research/Data Analyst 60 hrs. @ \$37.14/hr. = \$2,228

Total = \$53,610

There is no data to assist in determining the volume of orders the department will receive. If the increase is more significant than anticipated, and unable to be absorbed by existing staff, additional FTE may be requested through the routine appropriations process.

Oversight assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated on the fiscal note.

FUSION Impact

DOR notes:

Development: 4,000 hrs. @ \$225/hr. = **\$900,000**

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the general assembly in 2020 (Senate Bill 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

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

Oversight notes a violation of the provisions of this proposal results in a misdemeanor charge which carries only a fine. The fine revenue for the ticket goes to local school funds. Oversight assumes there will be some (less than \$250,000) amount of fine revenue from violations of the statute. For simplicity, Oversight will not reflect the increased revenue from fines to various state funds and local political subdivisions.

§569.086 – Trespass on a Critical Infrastructure Facility

Officials from the **Department of Corrections (DOC)** state this proposal modifies and creates provisions relating to criminal offenses involving telecommunications infrastructures.

§569.117 – Damage of a Critical Infrastructure Facility

Section 569.117 creates the offense of purposely damages a critical infrastructure facility, which is a class D felony. It also creates the offense of willfully or maliciously damages a critical infrastructure facility or removes any component, which is a class A misdemeanor if the damage is under \$750, a class E felony if the damage is \$750 to \$25,000, a class D felony if the damage is more than \$25,000, and a class C felony if the damage causes interruption of service.

As misdemeanors fall outside the purview of DOC, there is no impact to DOC for the offense resulting in the class A misdemeanor. The offenses resulting in a class E felony, class D felony or class C felony would be considered a new crime. As there is little direct data on which to base an estimate, the department estimates an impact comparable to the creation of a new class E felony, class D felony, and class C felony.

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, with 1.4 years to first release. The remaining 1.3 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 2 additional offenders in prison and 7 additional offenders on field supervision by FY 2029.

For each new nonviolent class D felony, the department estimates three people could be sentenced to prison and five to probation. The average sentence for a nonviolent class D felony offense is 5 years, with 1.7 years to first release. The remaining 2.2 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 8 additional offenders in prison and 16 additional offenders on field supervision by FY 2029.

For each new class C felony, the department estimates four people could be sentenced to prison and six to probation. The average sentence for a class C felony offense is 6.9 years, with 2.1 years to first release. The remaining 3.2 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 15 additional offenders in prison and 19 additional offenders on field supervision by FY 2030.

In response to a previous version, officials from the **Office of the State Public Defender (SPD)** stated per the National Public Defense Workload Study, the new charge contemplated by §569.117 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. 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.

§569.119 – Unauthorized Possession of Regulated Metals

Officials from the **DOC** state Section 569.119 creates the offense of unauthorized possession of certain copper, brass, aluminum, fiber, or telecommunications material, which is a class E felony, unless it is shown that the material was unlawfully obtained from a critical infrastructure facility or the person has a prior offense for the same, in which case it is a class D felony.

As these are new crimes, there is little direct data on which to base an estimate, and as such, the department estimates an impact comparable to the creation of a new class E felony and class D felony.

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, with 1.4 years to first release. The remaining 1.3 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 2 additional offenders in prison and 7 additional offenders on field supervision by FY 2029.

For each new nonviolent class D felony, the department estimates three people could be sentenced to prison and five to probation. The average sentence for a nonviolent class D felony offense is 5 years, with 1.7 years to first release. The remaining 2.2 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 8 additional offenders in prison and 16 additional offenders on field supervision by FY 2029.

In response to a previous version, officials from the **SPD** stated per the National Public Defense Workload Study, the new charge contemplated by Section 569.119 would take approximately thirty-five 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 one to two attorneys. 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 not create the number of new cases required to request additional FTE for the SPD 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.

Responses regarding the proposed legislation as a whole

Officials from the **DOC** state:

Combined Cumulative Impact for DOC

Taken together, the cumulative impact of the new class E, class D, and class C felonies will lead to an increase of 35 offenders in prison and 71 under field supervision by FY 2030.

	# to prison	Cost per year	Total Costs for prison	Change in Total cost for probation & parole officers	Total cost for probation and parole	# to probation & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	12	(\$11,123)	(\$111,230)	0	\$0	20	(\$111,230)
Year 2	24	(\$11,123)	(\$272,291)	0	\$0	40	(\$272,291)
Year 3	32	(\$11,123)	(\$370,316)	1	(\$102,428)	64	(\$472,744)
Year 4	35	(\$11,123)	(\$413,134)	1	(\$94,995)	71	(\$508,129)
Year 5	35	(\$11,123)	(\$421,396)	1	(\$96,001)	81	(\$517,398)
Year 6	35	(\$11,123)	(\$429,824)	1	(\$97,019)	85	(\$526,843)
Year 7	35	(\$11,123)	(\$438,421)	1	(\$98,047)	89	(\$536,468)
Year 8	35	(\$11,123)	(\$447,189)	1	(\$99,089)	89	(\$546,278)
Year 9	35	(\$11,123)	(\$456,133)	1	(\$100,142)	89	(\$556,275)
Year 10	35	(\$11,123)	(\$465,256)	1	(\$101,206)	89	(\$566,461)

The department will assume a marginal cost (multiplied by number of offenders) for any projected increase or decrease in the incarcerated population. Marginal cost is \$30.47 per day or an annual cost of \$11,123 per offender which includes costs such as medical, food, wages and operational E&E. The unknown amount is a result of the uncertainty in the growth of the underlying offender population. The impact of any new legislation combined with the growth of the underlying population could result in the tiered approach below in order to meet the population demands.

1. Fully staffing the current capacity (27,368) which is habitable, but DOC does not have the staffing resources for all bed space.
2. Rehabilitating current space that is not currently habitable and obtaining staffing resources for that space (requires capital improvements).
3. Expanding new capacity by adding housing units or wings to existing prisons and obtaining staffing resources for that space (requires capital improvements).
4. Constructing a new prison and obtaining staffing resources. Based on current construction projects in other Midwest states, the department estimates the cost of constructing a new 1,500-bed maximum security prison at approximately \$825 million to \$900 million plus annual operating costs of approximately \$50 million (requires capital improvements).

The department's population projections indicate current physical capacity will be met by July 2029; however recent trends indicate that capacity could be met much sooner. Should new construction be the result of the increasing offender population, the full cost per day per offender would be used which is \$106.96 or an annual cost of \$39,040. This includes all items in the marginal cost calculation plus fringe, personal service, utilities, etc.

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.

* 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.

Oversight does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC's impact for fiscal note purposes.

Officials from the **Office of the State Courts Administrator (OSCA)** state there may be 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.

In response to a previous version, officials from the **Missouri Office of Prosecution Services (MOPS)** assumed the proposal will have no measurable fiscal impact on MOPS. The enactment of new crimes creates additional responsibilities for county prosecutors and the circuit attorney which may, in turn, result in additional costs, which are difficult to determine.

Officials from the **Department of Commerce and Insurance, Department of Natural Resources, Department of Public Safety - Missouri Highway Patrol, Missouri Department of Transportation, Phelps County Sheriff, Branson Police Department, Kansas City Police Department, St. Louis County Police Department, Metropolitan St. Louis Sewer District, South River Drainage District, and Wayne County PWS #2** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from the **Attorney General's Office** assumed 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local law enforcement, utilities, and electric companies and coops were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

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.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2030)
GENERAL REVENUE				
<u>Cost – DOR (§§301.010 – 407.304) FUSION costs p.3-4</u>	(\$900,000)	\$0	\$0	\$0
<u>Cost – DOC (§§569.117 and 569.119) p.4-8</u>				
Personal Service	\$0	\$0	(\$52,554)	(\$53,079)
Fringe Benefits	\$0	\$0	(\$37,802)	(\$38,179)
Exp. & Equip.	\$0	\$0	(\$12,072)	(\$3,737)
<u>Total Costs - DOC</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$102,428)</u>	<u>(\$94,995)</u>
FTE Change - DOC	0 FTE	0 FTE	1 FTE	1 FTE
<u>Cost – DOC (§§569.117 & 569.119) Increased incarceration costs p.4-8</u>	(\$111,230 to Unknown)	(\$272,291 to Unknown)	(\$370,316 to Unknown)	(\$413,134 to Unknown)
<u>Cost – OSCA (various sections) Increase in potential court costs p.6-7</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Could exceed \$1,011,230)	(Could exceed \$272,291)	(Could exceed \$472,744)	(Could exceed \$508,129)
Estimated Net FTE Change on General Revenue	0 FTE	0 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029	Fully Implemented (FY 2030)
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Small scrap yards could be impacted as a result of this proposal.

FISCAL DESCRIPTION

(Sections 301.010, 301.218, 301.225, 407.298, 407.299, 407.300, 407.303, 407.304)

Under the act, no metal recycling entity or scrap metal yard shall accept scrap metal or metal parts, except as an incident to the sale, repair, rebuilding or servicing of vehicles.

The Director of the Department of Revenue shall designate businesses that deal with scrap metal and metal parts as a "metal recycling entity" or "scrap metal yard" to which the Department issues certain business licenses.

Any person who accepts certain metals in violation of the act, shall be guilty of a class A misdemeanor punishable by a fine. This provision shall not preclude the person to be prosecuted for any other applicable criminal offense.

After August 28, 2026, an application for a license may be denied, or any current license may be revoked or suspended by the Department if the applicant or licensee committed certain acts, as described in the act.

Any person licensed or required to be licensed under the act shall maintain certain records for three years on copper, brass, or bronze material, as described in the act.

Subject to the time frame described in the act, a metal recycling entity or a scrap metal yard shall send an electronic transaction report to the Department on the Department's website using a statewide electronic reporting system established by the Department, as described in the act. The report shall contain certain information required to be recorded as described in the act, except that the disclosure of the weight and purchase price of the regulated metal shall not be required.

The entity or yard may submit the transaction report by fax subject to certain requirements as described in the act.

The Department shall post on its website a summary of the reports under the act. Such reports shall only be accessible to metal recycling entities and scrap metal yards that are required to submit information to the Department under the act. Requirements for the summary are described in the act.

The Department shall make available on its website a publicly accessible list of all licensed metal recycling entities and scrap metal yards. The list shall contain certain information described in the act. Information on the list shall not be subject to public disclosure, except for law enforcement purposes.

The Department may promulgate rules for the development of a statewide electronic reporting system to track the sales of regulated metals, as described in the act.

Every purchaser or collector of, or dealer in, junk, scrap metal, or secondhand property for resale shall only make purchases or trades between 7 a.m. and 7 p.m.

The act provides that there shall be a separate record for each transaction involving any regulated metal. The act repeals the list of items to be on such record as described in current law. The record shall contain a photo of any regulated metal purchased and an affidavit stating that the seller owns and has the authority to sell the metal.

Anyone who knowingly purchases a stolen regulated metal shall be subject to certain penalties described in current law.

No metal recycling entity or scrap metal yard shall purchase any regulated metal from certain sellers, as described in the act.

A metal recycling entity or scrap metal yard shall maintain in a prominent place of the entity or yard's place of business in open view to the seller of a regulated metal certain notices, as described in the act.

A metal recycling entity or scrap metal yard making a payment in any amount, instead of \$500 or more as currently provided, shall make such payment by issuing a prenumbered check as described in current law.

The act modifies certain provisions relating to cash payments and provides that no scrap metal dealer, metal recycling entity, or scrap metal yard shall pay in the form of cash. This provision shall not apply to any transaction for which the seller has an existing business relationship with a metal recycling entity or scrap metal yard and is known to the entity or yard making the purchase to be an established business.

The Department shall provide to every scrap metal dealer, metal recycling entity, or scrap metal yard an electronic list with the names and descriptions of persons known to be receivers of stolen property. No scrap metal dealer, metal recycling entity, or scrap metal yard shall purchase or receive regulated metals from any person identified on the list.

The act modifies the definition of "critical infrastructure facility".

The act repeals certain provisions relating to committing the offense of trespass on a critical infrastructure facility. (Section 569.086)

DAMAGE ON CRITICAL INFRASTRUCTURE FACILITIES (Sections 569.117)

A person commits the offense of damage of a critical infrastructure facility, as defined in the act, if he or she:

- (1) Purposely damages, destroys, or tampers with equipment in a critical infrastructure facility, or
- (2) Recklessly damages, destroys or tampers with a critical infrastructure facility, or removes any component of a critical infrastructure facility, excluding equipment.

Subject to the exceptions described in the act, the offense of damage of a critical infrastructure facility is subject to certain penalties described in the act.

If the damage to a critical infrastructure facility causes interruption, impairment, or degradation of service, the offense shall be a class C felony regardless of value.

The value of damages under the act shall be determined pursuant to current law, as described in the act.

Any person who violates these provisions shall be required to make restitution and perform community service, as specified in the act.

UNAUTHORIZED POSSESSION OF CERTAIN MATERIALS USED IN TELECOMMUNICATIONS INFRASTRUCTURE (Section 569.119)

A person commits the offense of unauthorized possession of certain metals used in telecommunications infrastructure if the person:

- (1) Knowingly possesses copper, brass, aluminum, fiber, or telecommunications material; and
- (2) Is not a person authorized to possess such material.

Certain persons are authorized to possess copper, brass, aluminum, fiber, or telecommunications material, as specified in the act. Such authorization does not apply to a person who knows that such materials were unlawfully obtained.

Classifications of the offense are described in the act.

If conduct constituting an offense under these provisions also constitutes an offense under any other provision of law, the person may be prosecuted under either or both provisions subject to certain provisions of current law.

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

SOURCES OF INFORMATION

Attorney General's Office
Department of Commerce and Insurance
Department of Natural Resources
Department of Corrections
Department of Revenue
Department of Public Safety - Missouri Highway Patrol
Missouri Department of Transportation
Office of the State Courts Administrator
Office of the Secretary of State
Office of the State Public Defender
Joint Committee on Administrative Rules
Missouri Office of Prosecution Services
Phelps County Sheriff
Branson Police Department
Kansas City Police Department
St. Louis County Police Department
Metropolitan St. Louis Sewer District
South River Drainage District
Wayne County PWSD #2



Julie Morff
Director
April 20, 2026



Jessica Harris
Assistant Director
April 20, 2026