

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5859H.01I  
Bill No.: HB 2517  
Subject: Real and Personal Property; Merchandising Practices  
Type: Original  
Date: February 1, 2026

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Bill Summary: This proposal creates provisions relating to certain disclosures by a real estate wholesaler.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	(\$207,997)	(\$238,989)	(\$243,343)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$207,997)</b>	<b>(\$238,989)</b>	<b>(\$243,343)</b>

**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
General Revenue	2 FTE	2 FTE	2 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>2 FTE</b>	<b>2 FTE</b>	<b>2 FTE</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**

**§407.3600 – Disclosure by a Real Estate Wholesaler**

Officials from the **Attorney General’s Office (AGO)** assume this proposal will increase personnel costs. One AAG and one Paralegal will be necessary to handle the increased caseload.

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

Officials from the **Office of the State Courts Administrator, State Tax Commission, City of Kansas City, City of Springfield** and the **City of St. Louis Assessor’s Office** 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** only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, counties and county assessors 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.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Cost – AGO (§407.3600) p.3</u>			
Personnel Service	(\$108,333)	(\$132,600)	(\$135,252)
Fringe Benefits	(\$69,740)	(\$84,730)	(\$85,793)
Expense & Equipment	(\$29,924)	(\$21,659)	(\$22,298)
<b>Total Costs – AGO</b>	<b>(\$207,997)</b>	<b>(\$238,989)</b>	<b>(\$243,343)</b>
FTE Change – AGO	2 FTE	2 FTE	2 FTE
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>(\$207,997)</b>	<b>(\$238,989)</b>	<b>(\$243,343)</b>
Estimated Net FTE Change on General Revenue	2 FTE	2 FTE	2 FTE

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

FISCAL IMPACT – Small Business

Small businesses who operate as a wholesaler under the provisions of this proposal may be impacted.

FISCAL DESCRIPTION

Under this bill, before entering into a contract that transfers an interest in residential real property, a wholesaler, as defined in the bill, acting as a grantee or a wholesaler's representative, must provide to the property owner a written disclosure statement. Requirements for the disclosure are described in the bill.

A wholesaler acting as a grantee must not enter into a binding contract that transfers an interest in residential property until both the wholesaler and the property owner sign and date the disclosure statement.

If the wholesaler acting as the grantee fails to make the disclosure before entering into the contract that transfers interest in the property, the owner of the property can cancel the contract before the close of the escrow without penalty and the escrow agent will disburse any earnest money paid by the wholesaler to the owner within 30 days after the cancellation.

Provisions of the bill must not be modified or waived by any agreement. Any portion of an agreement executed, modified, or extended after the effective date of the bill that modifies or waives provisions of the bill will be null and void.

Any violation of the bill will be considered an unlawful practice under the Missouri Merchandising Practices Act. A party that enters into an agreement without receiving the disclosure under the bill may bring a private action against a wholesaler.

The Attorney General will enforce provisions of the bill. For any violations, the Attorney General must commence a civil action. If the court finds that a violation occurred, the court may grant relief as described in the bill.

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 the State Courts Administrator  
State Tax Commission  
City of Kansas City  
City of Springfield  
City of St. Louis Assessor's Office



Julie Morff  
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February 1, 2026



Jessica Harris  
Assistant Director  
February 1, 2026