

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0447-01
Bill No.: SB 162
Subject: Attorneys; Banks and Financial Institutions; Bonds - Surety; Business and Commerce; Consumer Protection; Contracts and Contractors; Credit and Bankruptcy; Fees; Department of Insurance, Financial Institutions and Professional Registration,
Type: Original
Date: December 20, 2016

Bill Summary: This proposal establishes the Consumer Legal Funding Model Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	Less than \$100,000	Less than \$100,000	Less than \$100,000
Total Estimated Net Effect on General Revenue	Less than \$100,000	Less than \$100,000	Less than \$100,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state that it is unknown how many civil justice funding companies may need to be registered. The department believes it can absorb the potential registration for a small number of entities. However, should the number of entities be greater than anticipated, or there are a large number of hearings, the department would request additional appropriation and/or FTE through the budget process.

Oversight assumes income of less than \$100,000 from applications (\$500) and renewals (\$200 every 2 years) in Section 436.570, RSMo.

Officials from the **Attorney General's Office** assume any potential cost arising from this proposal can be absorbed with existing resources.

Officials from the **Office of the State Courts Administrator** assume the proposal will have no fiscal impact on their organization.

This proposal may increase total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE			
<u>Income - DIFP</u> Registration and Renewal Fees (\$436.570)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses providing consumer legal funding may be fiscally impacted by this proposal.

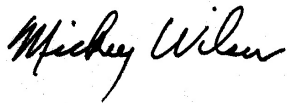
FISCAL DESCRIPTION

This proposal establishes the Consumer Legal Funding Model Act that requires all consumer legal funding contracts to meet certain specified requirements.

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

Department of Insurance, Financial Institutions and Professional Registration
Attorney General's Office
Office of the State Courts Administrator



Mickey Wilson, CPA
Director
December 20, 2016

Ross Strobe
Assistant Director
December 20, 2016