

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3762S.01I  
 Bill No.: SB 754  
 Subject: Attorney General; Consumer Protection  
 Type: Original  
 Date: March 4, 2022

Bill Summary: Modifies provisions relating to telecommunication practices.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
<b>Total Estimated Net Effect on General Revenue</b>	\$0	\$0	\$0

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Merchandising Practices Revolving Fund (0631)*	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

\*Oversight assumes this proposal could increase collections by the AGO from offenders, but assumes the amount of collections would not reach the \$250,000 threshold.

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the Attorney General (AGO)** assume that any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources, however, the AGO may seek additional appropriations if there is a significant increase in litigation.

**Oversight** previously inquired with the AGO regarding the number of cases resolved over the last six years and how much was collected in judgements from the no-call list statutes. Monies collected for the judgements goes to the Merchandising Practices Revolving Fund (0631). The following is their response:

Fiscal Year	# of cases Resolved	Judgements in those cases	# of cases with collections	Collections
2014	17	\$758,000	12	\$225,500
2015	5	\$739,000	3	\$593,416
2016	6	\$30,500	3	\$10,500
2017	11	\$526,433	4	\$275,433
2018	1	\$500,133	0	\$0
2019	3	\$85,000	1	\$8,500

Source: Office of the Attorney General

Oversight notes the AGO has not provided the amounts for FY 2020 or FY 2021 yet.

Oversight notes that the AGO has stated the proposal would not have a direct fiscal impact on their organization. Oversight assumes this proposal may increase the number of cases referred to the AGO and could result in an increase in collections under this chapter. Oversight will reflect a \$0 or Unknown (assumed to be less than \$250,000) positive fiscal impact to the Merchandising Practices Revolving Fund.

Officials from the **Department of Corrections (DOC)** state SB 754 modifies provisions relating to telecommunication practices. The bill creates the offense of unlawful caller identification spoofing as a class E felony.

Since this is a new offense, the department will use a standard class E felony response. For each new nonviolent class E felony, the department estimates one person will be sentenced to prison and two to probation. The average sentence for a nonviolent class E felony offense is 3.4 years, of which 2.1 years will be served in prison 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 2025.

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.

If the projected impact of legislation is less than 1,500 offenders added to or subtracted from the department's institutional caseload, the marginal cost of incarceration will be utilized. This cost of incarceration is \$22.616 per day or an annual cost of \$8,255 per offender and includes such costs as medical, food, and operational E&E. However, if the projected impact of legislation is 1,500 or more offenders added or removed to the department's institutional caseload, the full cost of incarceration will be used, which includes fixed costs. This cost is \$88.12 per day or an annual cost of \$32,162 per offender and includes personal services, all institutional E&E, medical and mental health, fringe, and miscellaneous expenses. None of these costs include construction to increase institutional capacity.

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.

	# to prison	Cost per year	Total Costs for <b>prison</b>	# to probation & parole	Cost per year	Total cost for <b>probation and parole</b>	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	1	(\$8,255)	(\$6,879)	2	absorbed	\$0	(\$6,879)
Year 2	2	(\$8,255)	(\$16,840)	4	absorbed	\$0	(\$16,840)
Year 3	2	(\$8,255)	(\$17,177)	7	absorbed	\$0	(\$17,177)

**Oversight** assumes the DOC will be able to absorb the cost of two additional prisoners, and will not reflect a fiscal impact from this proposal to DOC.

Officials from the **Missouri Highway Patrol**, the **Office of the State Public Defender** and the **Office of the State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Missouri Office of Prosecution Services (MOPS)** state No measurable fiscal impact to OPS. The enactment of a new crime [407.1115.3 and 407.1115.4] creates additional

responsibilities for county prosecutors and the circuit attorney which may in turn result in additional costs which are difficult to determine.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
<b>MERCHANDISING PRACTICES REVOLVING (0631)</b>			
<u>AGO</u> – Potential increase in judgement collections for expansion of Telemarketing No-Call statutes	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<b>ESTIMATED NET EFFECT TO THE MERCHANDISING PRACTICES REVOLVING (0631)</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act adds call spoofing, as defined in the act, as a method of telephone solicitation prohibited under provisions of law relating to the telemarketing no-call list. Additionally, current telemarketing provisions now include business subscribers, as defined in the act.

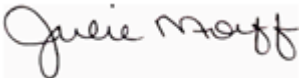
This act also establishes the "Caller ID Anti-Spoofing Act", which creates the offense of caller identification spoofing. A person commits such offense if he or she enters or causes to be entered, false information into a caller ID service with the intent to deceive, defraud, or mislead the recipient of the call, or the person places a call knowing that false information was entered into a caller ID service with the intent to deceive, defraud, or mislead the recipient of the call. The offense is a Class E felony.

A call recipient may pursue punitive damages in an amount up to \$5,000. Call recipients may bring action as members of a class, and the Attorney General may initiate legal proceedings or intervene in legal proceedings on behalf of call recipients.

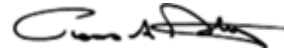
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General  
Missouri Highway Patrol  
Department of Corrections  
Office of the State Courts Administrator  
Missouri Office of Prosecution Services  
Office of the State Public Defender  
Joint Committee on Administrative Rules



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March 4, 2022



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