

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0564S.01I
Bill No.: SB 63
Subject: Banks and Financial Institutions
Type: Original
Date: January 13, 2023

Bill Summary: This proposal creates new provisions relating to financial institutions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
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 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)** state this proposal would authorize state and local licensing authorities and agencies, including the MO Department of Revenue (DOR), to share the application, license, or other regulatory and financial information of a marijuana facility with a banking institution and the banking institution's state and federal supervisory agencies. It would also require that, in making a request for such information to be shared, the marijuana facility must include a waiver giving authorization to transfer individualized data, information, or records.

The proposal would likely impact DOR by resulting in requests for, and potentially the sharing of, financial and other information by DOR concerning marijuana facilities. If this proposal is meant to have DOR disclose confidential tax information received by DOR and protected by Section 32.057 this could result in unknown fiscal impact to the Department. Section 32.057, is a criminal statute, and prohibits the disclosure of confidential tax information.

The proposal may result in employees of DOR being asked to share certain information with banking institutions to facilitate financial services for a business involved in marijuana distribution. Conspiracy to distribute marijuana remains a federal crime. This could increase the risk of criminal penalties for DOR employees. This proposal could result in an unknown fiscal impact to DOR.

Oversight assumes because the potential for litigation is speculative that DOR will not incur significant cost related to this proposal; therefore, Oversight will not reflect a fiscal impact as result of this proposal.

Officials from **Kansas City** state this legislation could have a small negative fiscal impact on the city in an indeterminate amount because of the administrative expenses.

Oversight assumes Kansas City is provided with core funding to handle a certain amount of activity each year. Oversight assumes Kansas City could absorb the costs related to this proposal.

Officials from the **Department of Commerce and Insurance**, the **Department of Health and Senior Services**, the **Department of Natural Resources**, the **Department of Public Safety - Missouri Highway Patrol**, the **Missouri Department of Agriculture**, the **Missouri Department of Transportation**, the **City of O'Fallon** and the **City of Springfield** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

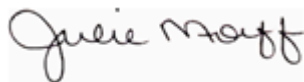
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

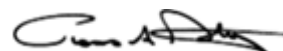
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Commerce and Insurance
 Department of Health and Senior Services
 Department of Natural Resources
 Department of Revenue
 Department of Public Safety
 Missouri Department of Agriculture
 Missouri Department of Transportation
 Kansas City
 O’Fallon
 Springfield



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 Director
 January 13, 2023



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 Assistant Director
 January 13, 2023