

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0564S.01T
Bill No.: Truly Agreed To and Finally Passed SB 63
Subject: Banks and Financial Institutions
Type: Original
Date: May 31, 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, 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 the **Department of Commerce and Insurance**, **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**, **Kansas City** 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.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<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

Small businesses operating a facility licensed or certified under Article XIV of the Constitution of Missouri could be impacted by this proposal.

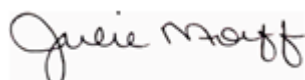
FISCAL DESCRIPTION

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 Highway Patrol
 Missouri Department of Agriculture
 Missouri Department of Transportation
 Kansas City
 Springfield



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 May 31, 2023



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 May 31, 2023