

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2405H.02I
Bill No.: HB 1279
Subject: Business and Commerce; Banks and Financial Institutions; Contracts and
Contractors; Political Subdivisions; Firearms
Type: Original
Date: March 17, 2021

Bill Summary: This proposal prohibits the state and any political subdivision from conducting business with any financial institution that has a policy refusing service to firearm businesses.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
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 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
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 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Budget and Planning** state Section 1.370 prohibits state agencies or political subdivisions from conducting business with any financial institution that does not attest annually that they do not have a policy, guidance, or directive against conducting business with a firearm business. Any person who falsely attests that an institution does not have such a policy is guilty of a class B misdemeanor. To the extent any related fines are deposited in the state treasury, Total State Revenues may be impacted.

Officials from the **Department of Mental Health** deferred to the Office of Administration.

Officials from the **Office of Administration (OA)** state the proposed legislation will require OA/Purchasing to include bid language and exhibits for vendor to self-certification/attestation that the vendor does not discriminate against firearms manufacturers to ensure that contracts are not awarded to such entities so that subsequent expenditures under the contract are not made to such entities.

OA-Purchasing and OA- Facilities Management, Design, Construction each believe that the impact of this bill is less than \$10,000 total. However, until the FY22 budget is finalized, specific funding sources cannot be identified.

At this time, it is believed that the additional staff time and resources can be absorbed by FMDC. However, if there are multiple pieces of legislation passed where FMDC has responded that the costs can be absorbed, FMDC would need to reevaluate to see if additional staff and associated expenses would then be required.

Oversight assumes the proposal would not create a material amount of fiscal impact to the state or any local political subdivision.

Officials from the **Attorney General's Office, Office of Administration - Administrative Hearing Commission, Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Mental Health, Department of Natural Resources, Department of Revenue, Department of Public Safety (Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety, Director's Office, Gaming Commission, National Guard, Highway Patrol, Veterans' Commission, SEMA), Department of Social Services, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Ethics Commission, Missouri Department of Transportation, MoDOT & Patrol Employees' Retirement System, Office of the Secretary of State, Office of the State Public Defender, Office of the Governor, Office of the Lieutenant Governor,**

Office of the State Auditor, Missouri House of Representatives, Missouri Senate, Missouri Lottery, Missouri Office of Prosecution Services, Missouri State Employee's Retirement System, Office of the State Courts Administrator, Missouri Consolidated Health Care Plan, and the State Tax Commission each assume the proposal would not fiscally impact their respective agencies.

Officials from the **University of Missouri** state they are unable to determine the financial impact of the proposed legislation. Switching financial institutions could cause unexpected costs, but their policies as related to the proposed legislation are unknown.

Officials from the city of **Claycomo, Corder, O'Fallon, Springfield, and St. Louis** each assume the proposal would not fiscally impact their respective cities. Officials from **Kansas City**; however, state the bill could result in a negative fiscal impact of an indeterminate amount.

Officials from the **Boone County/Columbia Health Department, Kansas City Health Department, Newton County Health Department, Missouri State University, Northwest Missouri State University, State Technical College of Missouri** and the **University of Central Missouri** each assume the proposal would not fiscally impact their respective entities.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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

Office of Administration - Budget and Planning
Department of Mental Health
Office of Administration
Attorney General's Office
Office of Administration - Administrative Hearing Commission
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Mental Health
Department of Natural Resources
Department of Revenue
Department of Public Safety
Department of Social Services
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Ethics Commission
Missouri Department of Transportation
MoDOT & Patrol Employees' Retirement System
Office of the Secretary of State
Office of the State Public Defender
Office of the Governor
Office of the Lieutenant Governor
Office of the State Auditor
Missouri House of Representatives
Missouri Senate
Missouri Lottery
Missouri Office of Prosecution Services
Missouri State Employee's Retirement System
Office of the State Courts Administrator
Missouri Consolidated Health Care Plan
State Tax Commission
University of Missouri
Claycomo
Corder
O'Fallon
Springfield
St. Louis
Kansas City
Boone County/Columbia Health Department

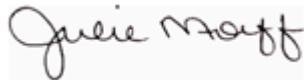
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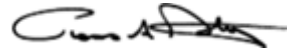
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Kansas City Health Department
Newton County Health Department
Missouri State University
Northwest Missouri State University
State Technical College of Missouri
University of Central Missouri



Julie Morff
Director
March 17, 2021



Ross Strobe
Assistant Director
March 17, 2021