

FISCAL NOTE
HOUSE BILL NO. 1487
LC# 23.0968.05000
03/27/2023

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$726,387	\$242,129		
Appropriations			\$726,387	\$242,129		

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

The amendment to this bill requires the Attorney General's Office to process alleged violations relating to financial entities' use of merchant codes to track firearm and ammunition-related purchases.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

This bill will require two investigators and one attorney to carry out the duties assigned. While the bill creates a merchant code violation fund consisting of money collected for violation of this bill, the Office of Attorney General will need initial salary and operating costs to process the claims before any collections are deposited in the fund. It may take a significant period of time to investigate initial complaints and complete any legal work associated with this.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

This bill creates a merchant code violation fund for deposit of violations of this bill. The amount of revenues to be generated is unknown at this time.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Two investigators and one attorney would be needed to investigate alleged violations of this bill. Salaries, benefits and operating for two investigators would total \$680,632 for a biennium and \$287,884 for an attorney for a total of \$968,516.

It may take a significant period of time to investigate initial complaints and complete any legal work associated with this. The \$726,387 shown in the general fund column is the amount needed to fund the required FTE for the first 18 months of the biennium. The remaining costs of the FTE would be paid through the Merchant Code Violation fund. If no funds are deposited in the merchant code violation fund, the Office will need a deficiency appropriation to fund the FTE for the remaining 6 months of the biennium.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

The Attorney General's office budget does not include funding for the FTE required by this bill and would need additional appropriation authority of \$726,387 from the general fund.

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