

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4894S.02P
Bill No.: Perfected SS for SB 834
Subject: Mortgages and Deeds; Uniform Laws
Type: Original
Date: March 24, 2026

Bill Summary: This proposal establishes the Uniform Mortgage Modification Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§443.920 - 443.925 - Uniform Mortgage Modification Act

Officials from the **Department of Commerce and Insurance** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Senate Amendment 1 (§442.920) – Missouri Residential Sale Leaseback Protection Act

Officials from the **State Tax Commission** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

In response to similar legislation, Perfected SS for SCS for SB 973 (2026), officials from the **Office of Attorney General (AGO)** assumed any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Oversight assumes this amendment creates the “Missouri Residential Sale Leaseback Protection” act which regulates sale leasebacks. In any sale leaseback transaction, a buyer is required to provide the seller with certain disclosures, described in detail in the act, alerting the seller of the nature of the transaction and advising them of certain actions they may wish to take. Oversight notes any violation of this section may have a civil action brought to seek damages. Oversight assumes this will have a minimal fiscal impact and will not present an impact for fiscal note purposes.

Responses regarding the proposed legislation as a whole

Officials from the **Department of Economic Development, Department of Labor and Industrial Relations** and the **City of Kansas City** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, counties, county assessors and county recorders were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and

seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Modifying mortgage procedures could have a direct fiscal impact on banking businesses as a result of this proposal. (§§443.920 - 443.925)

FISCAL DESCRIPTION

MISSOURI RESIDENTIAL SALE LEASEBACK PROTECTION ACT (Section 442.920)

The act creates the "Missouri Residential Sale Leaseback Protection" act, which regulates sale leasebacks. A sale leaseback is defined as a transaction or series of transactions in which a seller sells residential real estate that is or was the seller's residence to another party and, as a condition of the sale, or as part of the same or a related transaction, enters into a lease or rental agreement to remain in or re-occupy the property.

In any sale leaseback transaction, a buyer is required to provide the seller with certain disclosures, described in detail in the act, alerting the seller of the nature of the transaction and advising them of certain actions they may wish to take. The disclosure must be provided to the seller not more than 10 days and not less than 3 business days before the execution of any sale leaseback agreement, and the disclosure shall be signed by both the seller and the buyer concurrently with the execution of the sale leaseback agreement.

Violation of this act is subject to a fine of up to \$10,000 per violation. The Attorney General is permitted to enforce this act by bringing a cause of action seeking injunctive relief, civil penalties, and restitution. A seller is also permitted to bring a civil action if harmed by a violation of this act. A seller may recover actual damages, statutory damages up to \$10,000, attorneys' fees and costs, and any equitable or injunctive relief.

This act may not be waived or modified by agreement of any party.

UNIFORM MORTGAGE MODIFICATION ACT (Sections 443.920 to 443.925)

The act creates the Uniform Mortgage Modification Act, establishing new procedures with respect to modifications of mortgages.

The act provides that, for any mortgage modification, as that term is defined in the act, all of the following apply:

- The mortgage continues to secure the obligation as modified;
- The priority of the mortgage is not affected by the modification;
- The mortgage retains its priority regardless of whether a record of the mortgage modification is recorded in the public land records; and
- The modification is not considered a novation.

This act supercedes the federal Electronic Signatures in Global and National Commerce Act, as permitted by that Act, except as otherwise provided in this act.

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 Economic Development
State Tax Commission
Attorney General's Office
City of Kansas City



Julie Morff
Director
March 24, 2026



Jessica Harris
Assistant Director
March 24, 2026