

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5144S.01T
 Bill No.: Truly Agreed To and Finally Passed SB 1067
 Subject: Administrative Law; Cities, Towns, and Villages; Civil Procedure; Civil Rights; Counties; County Government; Courts; Evidence; General Assembly; Liability; Political Subdivisions; Public Records, Public Meetings; State Departments; Uniform Laws
 Type: Original
 Date: June 18, 2026

Bill Summary: This proposal modifies provisions relating to civil actions based on public expression.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Oversight assumes potential unknown costs incurred by OSCA will not meet the \$250,000 threshold.

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 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

*Increase in Local Political Subdivision costs.

FISCAL ANALYSIS

ASSUMPTION

§537.529 – Uniform Public Expression Protection Act

Officials from the **Office of the State Courts Administrator (OSCA)** state this proposal may have some impact but there is no way to quantify that amount currently. Any significant changes will be reflected in future budget requests.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 or (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

In response to a previous version, officials from the **City of Kansas City** stated the proposed legislation has a potential negative fiscal impact of an indeterminate amount because it increases the City's exposure to liability.

In response to similar legislation, SB 503 (2025), officials from the **Concordia R-II School District** stated the fiscal impact of this proposal would be approximately \$7,000 in increased legal fees per action.

Oversight notes based on the local responses above there is a potential negative fiscal impact due to increased legal expenses. Therefore, Oversight will reflect a \$0 or (Unknown) cost to local political subdivisions.

Officials from the **Office of Attorney General (AGO)** assume 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.

Officials from the **Office of Administration - Administrative Hearing Commission, Office of Administration - Budget and Planning, Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary**

Education, Department of Higher Education and Workforce Development, Department of Health and Senior Services, Department of Mental Health, Department of Natural Resources, Department of Corrections, Department of Labor and Industrial Relations, Department of Revenue, Department of Public Safety (Alcohol and Tobacco Control, Capitol Police, Fire Safety, Director's Office, Gaming Commission, Missouri Highway Patrol, Veterans Commission, and State Emergency Management Agency), Department of Social Services, Office of the Governor, Missouri Department of Agriculture, Missouri Department of Conservation, Missouri Department of Transportation, Missouri National Guard, MoDOT & Patrol Employees' Retirement System, Office of Administration, Petroleum Storage Tank Insurance Fund, Office of the State Public Defender, Office of the State Treasurer, Platte County Board of Elections, St. Louis County Board of Elections, Phelps County Sheriff, Branson Police Department, Kansas City Police Department, St. Louis County Police Department, Northwest Missouri State University, University of Central Missouri, Office of the Lieutenant Governor, Joint Committee on Public Employee Retirement, Missouri House of Representatives, Legislative Research, Oversight Division, Missouri Senate, Missouri Lottery, Missouri Consolidated Health Care Plan, Missouri Office of Prosecution Services, Missouri State Employees' Retirement System, and State Tax Commission 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.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, local election authorities, various county officials, local law enforcement agencies, fire protection districts, ambulance & EMS, schools/charter schools, hospitals, and colleges and universities 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
GENERAL REVENUE			
<u>Cost – OSCA (\$537.529) Potential increase in court costs p.3</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost – (\$537.529) Potential increase in liability costs p.3</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act establishes the "Uniform Public Expression Protection Act". Currently, any action against a person for conduct or speech undertaken or made in connection with a public hearing or meeting in a quasi-judicial proceeding before a tribunal or decision-making body of the state or a political subdivision thereof is subject to a special motion to dismiss, a motion for judgment on the pleadings, or motion for summary judgment and any such motion shall be considered by the court on a priority or expedited basis. This act repeals this provision and creates procedures for dismissal of causes of action asserted in a civil action based on a person's:

- (1) Communication in a legislative, executive, judicial, administrative, or other governmental proceeding;

- (2) Communication on an issue under consideration or review in a legislative, executive, judicial, administrative, or other governmental proceeding; or
- (3) Exercise of the right of freedom of speech or of the press, the right to assemble or petition, or the right of association, guaranteed by the United States Constitution or the Missouri Constitution, on a matter of public concern.

However, this act shall not apply to a cause of action asserted:

- (1) Against a governmental unit, as described in the act, or an employee or agent of a governmental unit acting in an official capacity;
- (2) By a governmental unit or an employee or agent of a governmental unit acting in an official capacity to enforce a law to protect against an imminent threat to public health or safety; or
- (3) Against a person primarily engaged in the business of selling or leasing goods or services if the cause of action arises out of a communication related to the sale or lease of such goods or services.

No later than 60 days after a party is served with a complaint, cross-claim, counterclaim, third-party claim, or other pleading that asserts a cause of action covered by this act, or at a later time upon a showing of good cause, a party may file a special motion to dismiss. The court shall hear and rule on such motion no later than 60 days after the filing of the motion, unless the court orders a later hearing to allow for limited discovery or upon good cause. However, this act provides that the court shall hear and rule on the motion for dismissal no later than 60 days after the order allowing for discovery.

This act provides that all other proceedings between the moving party and the responding party in the action, including discovery and any pending hearings or motions, shall be stayed upon the filing of the special motion to dismiss. Additionally, this act provides that the court may stay, upon motion by the moving party, a hearing or motion involving another party or discovery by another party if a ruling on such hearing or motion or discovery relates to a legal or factual issue.

Any stay pursuant to this act shall remain in effect until the entry of an order ruling on the special motion to dismiss and the expiration of the time to appeal the order. A moving party may appeal an order denying the special motion to dismiss in whole or in part within 21 days of such order. If a party appeals an order ruling on a special motion to dismiss, this act provides that all proceedings between all parties shall be stayed until the conclusion of the appeal.

The court may allow discovery if a party shows that specific information is necessary to establish whether a party has satisfied or failed to satisfy the requirements of this act and such information is not reasonably available without discovery. Additionally, a motion for costs and expenses, voluntary dismissal, or a motion to sever shall not be stayed. During a stay, the court upon good cause may hear and rule on any motions unrelated to the special motion to dismiss and any motions seeking a special or preliminary injunction to protect against an imminent threat to public health or safety.

In ruling on a special motion to dismiss, this act provides that the court shall consider the parties' pleadings, the motion, any replies and responses to the motion, and any evidence that could be considered in a ruling on a motion for summary judgment. The court shall dismiss the cause of action with prejudice if:

- (1) The moving party has established that the cause of action is covered by this act;
- (2) The responding party has failed to establish that this act does not apply to the cause of action;
and
- (3) Either the responding party failed to establish a prima facie case as to each essential element of the cause of action, or the moving party has established that the responding party failed to state a cause of action upon which relief can be granted or that there is no genuine issue as to any material fact and that the party is entitled to judgment as a matter of law.

A voluntary dismissal without prejudice of a cause of action that is subject to a special motion to dismiss pursuant to this act shall not affect the moving party's right to obtain a ruling on the motion and seek costs, reasonable attorneys' fees, and reasonable litigation expenses. Additionally, if the moving party prevails on the motion, this act provides that such costs, fees, and expenses shall be awarded to the moving party. A voluntary dismissal with prejudice of a cause of action that is subject to a special motion to dismiss establishes that the moving party prevailed on the motion. The responding party shall be entitled to such costs, fees, and expenses if the responding party prevails on the motion and the court finds that the motion was frivolous or filed solely with the intent to delay the proceeding.

Finally, this act applies to causes of action filed or asserted on or after August 28, 2026.

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

Attorney General's Office
Office of Administration
 Administrative Hearing Commission
 Budget and Planning
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety
 Alcohol and Tobacco Control
 Fire Safety
 Director's Office
 Gaming Commission
 Missouri Highway Patrol
 Veterans Commission
 State Emergency Management Agency
Department of Social Services
Office of the Governor
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Department of Transportation
Missouri National Guard
MoDOT & Patrol Employees' Retirement System
Office of Administration
Petroleum Storage Tank Insurance Fund
Office of the Secretary of State
Office of the State Public Defender
Office of the State Treasurer
City of Kansas City
Platte County Board of Elections
St. Louis County Board of Elections
Phelps County Sheriff
Branson Police Department
Kansas City Police Department
St. Louis County Police Department
Northwest Missouri State University

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University of Central Missouri
Office of the Lieutenant Governor
Joint Committee on Public Employee Retirement
Missouri House of Representatives
Joint Committee on Administrative Rules
Legislative Research
Oversight Division
Missouri Senate
Missouri Lottery
Missouri Consolidated Health Care Plan
Missouri Office of Prosecution Services
Missouri State Employees' Retirement System
State Tax Commission



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