

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 4051-01
Bill No.: HB 1183
Subject: Counties: Law Enforcement Restitution Fund
Type: Original
Date: February 3, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue Fund	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
School Moneys	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Courts Administrator** stated that this proposal does not specify who would be responsible for receiving and accounting for what would in most cases be installment payments. Since the Sheriff and Prosecutor would be the beneficiaries of the fund, officials assume one of them would provide these services through local funds, and state-paid court clerks would not be required to perform this duty. If this assumption is valid, there would be no appreciable state cost. However, if the court clerks are required to provide this service, there would be a state cost in direct proportion to the volume of transactions.

Officials stated that traffic cases are technically misdemeanors, and if as an alternative to a traffic conviction, a defendant can get a suspended sentence for payment into the crime reduction fund, the potential volume could be in the hundreds of thousands of cases.

If cases that would otherwise have resulted in a conviction are shifted to a suspended imposition or execution of sentences, it is likely to result in the loss of revenue from fines to the schools, crime victims' compensation fund, law enforcement training and other earmarked funds.

ASSUMPTION continued

Officials of the **Department of Corrections** stated that passage of this bill would have no fiscal impact for the DOC as it would be the responsibility of each offender charged with restitution (as per this bill) to make his or her payment to the county fund and DOC would not be the collector of these funds.

It must be noted, however, that two-thirds of the 29,000-plus incarcerated offenders within DOC have a fixed monthly income of \$7.50 to \$8.50 (once they have earned their GED they are eligible for the extra \$1) to spend for repayment of debt to the state of Missouri as restitution, child support, for court fees and/or to spend in their institutional canteen. The DOC is court-ordered to provide the \$7.50 monthly stipend in order for them to have access to the court system and to purchase hygiene items. Any increase in financial obligations for offenders could prompt a legal review of this \$7.50 amount which has been at this amount for 17 years thus resulting in the state being required to increase this stipend. In light of the indigent state of most incarcerated offenders, it is unrealistic to assume that all (or even a majority) of them would be paying into this fund.

In summary, supervision by the DOC through incarceration or probation would result in additional costs. The exact fiscal impact to the DOC is unknown and cannot be estimated.

Officials of the **Office of Prosecution Services** assume no fiscal impact.

Officials of the **Department of Elementary and Secondary Education** assume no fiscal impact.

Jasper County officials assume if a Fund were created that income would depend on how much the Judges used the Fund. Officials estimate that it could mean as much as \$20,000 for law enforcement in Jasper County.

Jefferson County officials assume no negative fiscal impact. Could produce income for law enforcement.

Oversight assume that fiscal impact would depend upon several factors: 1) The County Commission would need to establish the Law Enforcement Restitution Fund; and 2) The amount of fiscal impact would depend on the number of cases the Court would suspend and require payment into the Crime Law Enforcement Restitution Fund.

ASSUMPTION (continued)

Oversight assumes that to the extent there is a reduction in fines on the local level, schools would receive more money in state aid due to the school aid formula. Therefore, the loss of fine revenues would be subsidized by the State's General Revenue Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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GENERAL REVENUE FUND

<u>Transfer out</u> – to State School Money's Fund	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
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STATE SCHOOL MONEYS FUND

<u>Transfer in</u> – from General Revenue Fund	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
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<u>Costs</u> – transfer to local school districts	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
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ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
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**COUNTY LAW ENFORCEMENT
AND RESTITUTION FUND**

<u>Income</u> to Law Enforcement Fund			
Court ordered payment	Unknown	Unknown	Unknown

Cost to Law Enforcement Fund

Law Enforcement programs	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT TO COUNTY LAW ENFORCEMENT AND RESTITUTION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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SCHOOL DISTRICTS

<u>Income</u> – to Certain School Districts from State’s School Aid Formula	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
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<u>Loss</u> – to Certain School Districts from reduction in fines	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
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ESTIMATED NET EFFECT TO CERTAIN SCHOOL DISTRICTS *	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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*** Fiscal impact would be dependent upon the County Commission establishing a Crime Reduction Fund and upon the number of cases that would be suspended without a fine.**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill allows counties to establish by ordinance the County Law Enforcement Restitution Fund. The fund will receive money from court-ordered restitution. The restitution may not exceed \$275 for any charged offense. If a defendant fails to make a payment to the fund, probation may be revoked. The fund may only be used for law enforcement expenditures specified in the bill and will be supervised by a board of five trustees appointed by certain county officials. The county is prohibited from reducing any law enforcement agency's budget as a result of establishing the fund. The fund is subject to audit.

The bill also allows the court to order a defendant to enter an offender treatment program, work release program, or a community-based residential and nonresidential program.

DESCRIPTION continued

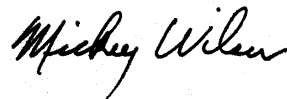
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Corrections
Office of State Courts Administrator
Office of Prosecution Services
Department of Elementary and Secondary Education
Jefferson County Commission
Jasper County Commission

NOT RESPONDING

Callaway County
Boone County
Marion County
Platte County
Warren County
St. Louis County
Jackson County



Mickey Wilson, C
Director
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