

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4506-11
Bill No.: SCS for HCS No. 2 for HBs 1692, 1209, 1405, 1499, 1535, & 1811
Subject: Attorneys; Children and Minors; Civil Procedure; Contracts and Contractors; Counties; Courts; Courts, Juvenile; Crimes and Punishment; Civil Procedure; Domestic Relations; Family Law; Fees; Jackson County; Judges; Juries; Law Enforcement Officers and Agencies; Licenses - Drivers; Liability; Licenses - Motor Vehicle; Liens; Marriage and Divorce; Political Subdivisions; Public Officers; Revenue Dept.; Search and Seizure; Social Services Dept.
Type: Original
Date: April 26, 2010

Bill Summary: Modifies the laws regarding real estate brokers and salespersons, court records, the state legal expense fund, coroners, and various other provisions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	(Unknown) to \$805,408	(Unknown) to \$1,401,342	(Unknown) to \$1,426,429
Total Estimated Net Effect on General Revenue Fund	(Unknown) to \$805,408	(Unknown) to \$1,401,342	(Unknown) to \$1,426,429

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
State Legal Expense*	\$0	\$0	\$0
Children's Trust	\$15,750	\$18,900	\$18,900
Endowed Cemetery	\$3,150	\$3,780	\$3,780
Missouri Public Health Services	\$15,750	\$18,900	\$18,900
Various	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown) to \$34,650	(Unknown) to \$41,580	(Unknown) to \$41,580

* Savings and losses net to \$0.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Federal**	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

** Revenues and losses exceeding \$700,000 annually net to \$0.

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 20 pages.

HWC:LR:OD

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE			

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	(More than \$458,333)	(More than \$550,000)	(More than \$550,000)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Economic Development, Department of Higher Education, Department of Insurance, Financial Institutions, and Professional Registration, Department of Mental Health, Department of Natural Resources, Department of Corrections, Department of Labor and Industrial Relations, Department of Public Safety, Missouri Consolidated Health Care Plan, Missouri Department of Conservation, Office of Lieutenant Governor, Missouri Senate, Office of State Auditor, Office of State Treasurer, St. Louis County Circuit Court, Jefferson City Police Department and City of Centralia** assume the proposal will have no fiscal impact on their organizations.

In response to an earlier version of this proposal, officials from the **Office of Prosecution Services, St. Louis County, and Boone County Sheriff's Department** assumed the proposal would have no fiscal impact on their organizations.

Officials from the **Office of Administration (COA) - Administrative Hearing Commission** anticipate this legislation will not significantly alter its caseload. However, if other similar bills pass, there are more cases, or the cases are more complex, there may be a fiscal impact.

Officials from the **COA - Division of General Services/Risk Management** state under Chapter 105.726(3), the reimbursement to the St. Louis and Kansas City police boards has been removed. In the past three calendar years, the state has reimbursed the police boards approximately \$1.6 million for an annual estimated savings of approximately \$550,000.

Oversight has adjusted the FY 11 savings to reflect 10 months.

In response to similar legislation from the current session (SCS SB 1060, LR# 4213-06), officials from the **COA – Division of Budget and Planning** assumed there should be no added cost to their agency. However, this proposal contains various provisions that will impact total state revenue: 1) Authorization for the state registrar to impose fees for providing adult adoptees with biological parent information and 2) Establishment of child support fees.

Officials from the **Department of Elementary and Secondary Education (DES)** assume there is no state cost to the foundation formula associated with this proposal. Should the new crimes and amendments to current law result in additional fines or penalties, the DES cannot know how much additional money might be collected by local governments or the DOR to distribute to schools. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to schools increases the deduction in the foundation formula the following year.

ASSUMPTION (continued)

Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year; unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Oversight assumes any increase or decrease in fine or penalty revenues generated cannot be determined. Therefore, the fiscal note does not reflect any fine or penalty revenues for the local school districts.

Officials from the **Missouri Department of Transportation (DOT)** state the proposal does not specifically state that any penalties or damages recovered due to a false claim will be used to reimburse the damaged state agency, school district, etc., but if that is the case, the proposal would have an unknown fiscal impact upon the DOT.

Oversight assumes the various state agencies and local governmental entities could incur increased liability costs as a result of the proposal. **Oversight** has reflected the costs to the general revenue fund, various state funds, and local government as (Unknown).

Officials from the **Office of Attorney General (AGO)** state Section 537.804 of the proposal mandates that the AGO “shall diligently investigate” any alleged violations pursuant to the State False Claims Act and may file a civil action. The AGO assumes reviewing materials associated with potential claims of fraud would require one (1) FTE Investigator (\$32,000 annually) to meet the requirements of the proposal. If the proposal results in a significant increase in caseload, the AGO may seek an additional appropriation to adequately litigate the fraud against the State.

The AGO assumes that any costs resulting from the remaining provisions could be absorbed with existing resources, but may seek an additional appropriation if increased referrals result.

In response to a similar proposal from the 2009 Session (HB 940, LR # 2054-01), officials from the AGO assumed any potential costs arising from this proposal could be absorbed within existing resources. Therefore, **Oversight** assumes the AGO can absorb any potential costs within existing resources. **Oversight** assumes any significant increase in the workload of the AGO would be reflected in future budget requests.

ASSUMPTION (continued)

In response to an earlier version of this proposal, officials from the **Office of State Public Defender (SPD)** stated, for the purpose of this proposed legislation, that they cannot assume existing staff will provide competent, effective representation for any new cases arising where indigent persons are charged with redefined crime of harassment and/or stalking.

Passage of bills increasing penalties on existing crimes, or creating new crimes, requires the SPD system to further extend resources. While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide competent and effective representation in all its cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials from the **Office of the Secretary of State (SOS)** assume authority is given to the Department of Revenue (DOR), Department of Health and Senior Services (DOH), Department of Insurance, Financial Institutions and Professional Registration (DIFP) (Real Estate Brokers), Office of Attorney General (AGO), Department of Public Safety (DPS) and Department of Social Services (DOS) to promulgate rules. These rules will be printed in the Missouri Register and the Code of State Regulations. Based on experience with other departments, the rules, regulations, and forms issued by the DOR, DOH, DIFP (Real Estate Brokers), AGO, DPS and DOS could require as many as 50 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes, and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23; the estimated cost of a page in the Code of State Regulations is \$27. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn. The SOS estimates FY 11 costs of \$3,075 [(50 pages X \$27) + (75 pages X \$23)].

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

ASSUMPTION (continued)

Officials from the **Department of Revenue (DOR)** provide the following assumptions relating to this proposal:

ADMINISTRATIVE IMPACT:

Driver License Bureau:

The proposal will require updating the restriction of information form and updating the procedures for acceptance and processing of restriction of information forms. It is estimated these updates will require a total of \$2,405 in additional overtime labor costs.

DOR estimates the cost to print updated forms at \$12.50 (500 forms x .025 = \$12.50).

Motor Vehicle Bureau:

Section 32.056

Through conversation with the Office of State Courts Administrator (CTS), Missouri has seven (7) Supreme Court judges, 32 Appellate Court judges, and 335 Circuit/Associate Court judges. The CTS also advises that municipal court judges are empowered through the Circuit Court system and should be considered a qualifying judge. There are 540 Municipal Court judges. It is also indicated there are 35 Federal judges that would fall into this proposal.

The DOR currently has a process in place for designated persons to include their information in the confidential records system. This proposal expands the parameters of who may be included in the confidential records system and, therefore, increases the DOR's work load of recording this information.

There are 949 total judges (7 Supreme + 32 Appellate + 335 Circuit/Associate + 540 Municipal + 35 Federal) that would be available for this process. It is assumed that only 10% (95) of those judges will participate in FY 11. As knowledge and awareness increases, it is assumed that 50% of 475 will participate in FY 12, and 75% of 712 will participate in FY 13. A revenue processing technician can process five (5) confidential transactions per hour, resulting in 19 hours of overtime in FY 11 at a cost of \$288; 98 hours of overtime in FY 12 at a cost of \$1,481, and 147 hours of overtime in FY 13 at a cost of \$2,221.

Total costs for the DOR are estimated to be \$2,703 for FY 11; \$2,271 for FY 12; and \$3,399 for FY 13.

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ASSUMPTION (continued)

Oversight assumes the costs of updating the DOR's website and related forms for the proposed changes could be absorbed within existing resources. **Oversight** also assumes DOR could absorb the cost of printing updated forms within existing resources.

Officials from the **Department of Health and Senior Services (DOH)** provide the following assumptions for this proposal:

Section 193.128:

Currently, the Bureau of Vital Records responds to approximately 10 to 15 inquiries and requests daily regarding access to sealed adoption records. Inquiries and requests for copies of original birth certificates are expected to double from the current amount, with an increase of approximately 3,780 requests annually (15 X average of 21 working days per month X 12 months in a year = 3,780 requests). There is currently one Senior Office Support Assistant - Keyboarding (SOSA) working on adoptions. Two additional SOSAs would be needed to handle the additional requests, redact information from medical history forms, and assist in preliminary investigative activities in locating the birth mother. The additional SOSA positions would assist internal and external customers through written correspondence, in person, and over the telephone regarding adoptions, vital events, and related matters. The SOSAs would perform moderate to difficult clerical and technical functions involving a significant amount of public contact. Duties include researching requests related to obtaining original birth records; determining if the mother is living; locating contact information; processing documents related to births, including adoption decrees (domestic and foreign); legitimating affidavits; amending or creating new certificates as instructed by affidavits or court orders; processing delayed applications; performing manual and computer searches; updating the system mainframe; and issuing copies as requested.

The legislation would also require the Bureau of Vital Records, State Registrar, to develop a contact preference form and medical history form to provide to the birth parent(s), upon request.

The sealed records are stored at the State Archives. DOH currently does not have staff dedicated to drive to the State Archives to retrieve and return the sealed records. A one-half Office Support Assistant-Keyboards (OSA) is requested to perform these duties. DOH estimates three trips per week, utilizing an existing state vehicle, to the State Archives. The OSA will research the location of the records, locate and pull the appropriate sealed records at archives and return the previous sealed records to the proper location. The OSA may also assist the SOSA as time allows in processing applications and duplicating records.

ASSUMPTION (continued)

A Children's Social Work II is requested to make phone calls to birth mothers to obtain her consent or denial to release the original birth record. These calls will be sensitive in nature, as the birth mother may not be aware that her birth child is trying to locate her. A high degree of tact, sensitivity, discretion and specialized training will be necessary to perform these duties.

Standard expense and equipment costs are included for additional staff. In addition, approximately \$1,663 would be needed for postage (3,780 X \$0.44 per envelope).

Per Section 193.128.3 of the proposed legislation, the State Registrar may impose a fee for issuance of an uncertified copy of an original birth certificate. Per Section 193.265, RSMo, the cost per birth certificate is \$15 to be distributed as follows: Children's Trust Fund - \$5; General Revenue - \$4; Endowed Cemetery Fund - \$1; and MOPHS - \$5. The increase in revenue for FY 11 is determined by 3,780 requests X \$15 per request, for a total of \$56,700 (\$47,250 for 10 months). Per 193.265, RSMo, this revenue will be split: GR = \$12,600; Children's Trust Fund = \$15,750; Endowed Cemetery Fund = \$3,150; and MOPHS = \$15,750.

The DOH estimates net FY 11 costs to the General Revenue Fund of \$164,892; net FY 12 costs of \$178,118; and net FY 13 costs of \$183,915.

Oversight assumes because the potential significant increase in the workload is speculative, that the DOH could absorb three and one-half FTE. If the DOH's workload were to increase significantly, the DOH could request additional staff during the appropriations process.

Officials from the **Department of Social Services (DOS) - Family Support Division (FSD)** assume implementation of the proposed amendments to subdivisions 452.340.11(1), 452.340.11(2), 452.340.11(4), 454.557.1(2), and 454.557.1(3) will require the division to implement policy and procedural changes. These changes can be made with existing staff. The division also believes that implementation of the proposed amendments will allow the division to redirect resources from resolving termination of support issues to collecting child support. The division is unable to determine the impact to collections.

The FSD states, in its State FY 11 budget request, the FSD requested funding of \$137,112 in one-time costs related to a one-time mailing of fee notifications and system changes necessary to implement the child support fees proposed in this bill (\$46,618 would be funded with Child Support Enforcement Collections Funding; and \$90,494 with federal funding).

To meet federal notification requirements, the FSD would need to mail notices to never-assistance recipients of services. The division expects it will need to mail approximately

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ASSUMPTION (continued)

123,000 notices at a cost of \$0.36 per notice for a one-time cost of \$44,280. After the first year, notice to affected entities will be incorporated into existing agency forms/notices at no additional cost.

It is estimated it would take the Office of Administration's Information Technology (IT) staff 1,200 hours to make the necessary system changes to the Missouri Automated Child Support Systems (MACSS) to implement the fees for a one-time cost of \$92,832 (1,200 hours x \$77.36 hourly rate).

In addition, in FY 2011, the FSD estimates that approximately 3,573 cases would be subject to the review fee, resulting in \$214,380 in fee collections (\$72,889 state share). Approximately 4,113 cases would be subject to the modification fee. The division also estimates that 2,879 will be subject to a fee of \$175 and 1,234 will be subject to a fee of \$350, resulting in \$935,725 in fee collections (\$318,147 state share). Approximately 19,243 cases would be subject to the federal income tax refund offset fee annually, resulting in \$481,075 in fee collections (\$163,566 state share). Expanding the annual \$10 annual payment processing fee to include IVD cases would result in an additional \$481,580 in fee collections annually (\$163,737 state share).

At the maximum, there is a potential total annual collection of fees of \$2,112,760 (\$718,339 state share). The FSD only anticipates collecting a little more than half of the fees in the first year. Therefore, in FY11, based on the following calculations, the Division believes of the fees collected, \$335,861 could be used to offset GR expenditures. In the FY 11 FSD Budget Request, there was a core cut of GR in the County Reimbursement core.

	<u>State Share</u>	<u>Federal Share</u>	
<u>Total</u>			
Total potential fees collected	\$718,339	\$1,394,421	\$2,112,760
Less one-time implementation costs	\$ 46,618	\$ 90,494	\$ 137,112
Net fees/savings amount	\$671,721	\$1,303,927	\$1,975,648
First year fees (net)	\$335,861	\$651,965	\$987,825
Total first year fees anticipated	\$382,479	\$742,458	\$1,124,937

Earlier versions of this bill required the fee for review and modification to be paid prior to the division initiating the review or modification; however pursuant to federal requirements, states cannot refuse service requested. Doing so, would likely result in a finding of the state's failure to comply with Title IV-D State Plan requirements which would result in a total loss of federal

ASSUMPTION (continued)

funding, including incentives. Any loss of federal funding would have to be replaced by General Revenue. A federally approved IV-D State Plan is also a requirement to receive the TANF block grant, so a disapproved IV-D State Plan could also jeopardize federal TANF funding.

Therefore, at minimum, including only the federal income tax refund offset fee and annual payment processing fee, there is a potential total annual collection of fees of \$962,655 (\$327,303 state share). However, the FSD only anticipates collecting a little more than half of the fees in the first year due to time needed to change procedures and the system for implementation of the fees. Therefore, in FY11 based on the following calculations, the FSD believes of the fees collected, \$140,343 could be used to offset GR expenditures. In the FY 11 FSD budget request, there was a core cut of GR in the County Reimbursement core.

	<u>State Share</u>	<u>Federal Share</u>	<u>Total</u>
Total potential fees collected	\$327,303	\$ 635,352	\$ 962,655
Less one-time implementation costs	\$ 46,618	\$ 90,494	\$ 137,112
Net fees/savings amount	\$280,685	\$ 544,858	\$ 825,543
First year fees (net)	\$140,343	\$272,429	\$ 412,772
Total first year fees anticipated	\$186,961	\$362,923	\$ 549,884

Therefore, for FY 11, FSD's fiscal impact will range from a minimum of \$412,772 (\$140,343 State Share) to a maximum of \$987,825 (\$335,861 State Share).

In FY 12, the FSD estimates that approximately 4,288 cases would be subject to the review fee, resulting in \$257,280 in fee collections (\$87,475 state share). Approximately 4,936 cases would be subject to the modification fee. The FSD estimates that 3,455 will be subject to a fee of \$175 and 1,481 will be subject to a fee of \$350, resulting in \$1,122,925 in fee collections (\$381,795 state share). Approximately 20,256 cases would be subject to the federal income tax refund offset fee annually, resulting in \$506,400 in fee collections (\$172,176 state share). Expanding the annual \$10 annual payment processing fee to include IVD cases would result in an additional \$577,910 in fee collections annually (\$196,489 state share).

At the maximum, in FY 12, there is a potential total annual collection of fees of \$2,464,515 (\$837,935 state share).

At the minimum, in FY 12, including only the federal income tax refund offset fee and annual payment processing fee, there is a potential total annual collection of fees of \$1,084,310 (\$368,665 state share).

ASSUMPTION (continued)

Officials from the **DOS - Human Resources Center (HRC)** assume portions of the proposal would duplicate the “Whistleblower” protections that the DOS employees already have under RSMo 105.055. However, it would increase the restitution to effected employees. Employees with regular status may appeal to the Personnel Advisory Board (PAB) whenever they allege that they have been retaliated against (disciplined) for disclosure of prohibited activities.

Under this proposed legislation, any employee who is retaliated against is entitled to all relief necessary to make the employee whole including: reinstatement with the same seniority status the employee would have had but for the discrimination, two times the amount of back pay, interest on the back pay, and compensation for any special damages sustained as a result of the retaliation, including litigation costs and reasonable attorneys’ fees, and the employee may bring action in the appropriate circuit court for relief.

This increases the liability to the agency because of the additional restitution to the effected party (for example, currently employees receive back pay not two times the amount of back pay; do not receive interest on the back pay; and they are not entitled to special damages). Additionally, it is noted that no limit is established on the special damages that can be awarded. DOS assumes the cost would be unknown.

Officials from the **Department of Agriculture, Missouri Lottery Commission, Missouri Ethics Commission, Missouri House of Representatives, Office of the Governor and Jackson County** did not respond to our request for a statement of fiscal impact.

The proposal could have a fiscal impact on total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
GENERAL REVENUE FUND			
<u>Savings - COA-GS/RM</u>			
Decreased transfers to State legal Expense Fund (§105.726)	\$458,333	\$550,000	\$550,000
<u>Revenue - DOH</u>			
Birth certificate fees (§193.128)	\$12,600	\$15,120	\$15,120
<u>Revenue - DOS-FSD</u>			
Fee income collected (§§454.425 & 454.548)	\$ 140,343 to \$335,861	\$368,665 to \$837,935	\$379,725 to \$863,073
<u>Costs - DOH</u>			
Postage (§193.128)	(\$1,386)	(\$1,713)	(\$1,713)
<u>Costs - Various State Agencies</u>			
Increased liability payments (§§537.800 – 537.810)	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Unknown) to \$805,408</u>	<u>(Unknown) to \$1,401,342</u>	<u>(Unknown) to \$1,426,480</u>
STATE LEGAL EXPENSE FUND			
<u>Savings - COA</u>			
Reduced reimbursements to St. Louis and Kansas City police boards (§105.726)	\$458,333	\$550,000	\$550,000
<u>Losses – COA</u>			
Reduced transfers in from General Revenue Fund (§105.726)	<u>(\$458,333)</u>	<u>(\$550,000)</u>	<u>(\$550,000)</u>
ESTIMATED NET EFFECT ON STATE LEGAL EXPENSE FUND	<u>\$0*</u>	<u>\$0*</u>	<u>\$0*</u>

*** Savings and losses net to \$0.**

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
CHILDREN'S TRUST FUND			
<u>Revenue - DOH</u>			
Birth certificate fees (§193.128)	<u>\$15,750</u>	<u>\$18,900</u>	<u>\$18,900</u>
ESTIMATED NET EFFECT ON CHILDREN'S TRUST FUND	<u>\$15,750</u>	<u>\$18,900</u>	<u>\$18,900</u>
ENDOWED CEMETERY FUND			
<u>Revenue - DOH</u>			
Birth certificate fees (§193.128)	<u>\$3,150</u>	<u>\$3,780</u>	<u>\$3,780</u>
ESTIMATED NET EFFECT ON ENDOWED CEMETERY FUND	<u>\$3,150</u>	<u>\$3,780</u>	<u>\$3,780</u>
MISSOURI PUBLIC HEALTH SERVICES FUND			
<u>Revenue - DOH</u>			
Birth certificate fees (§193.128)	<u>\$15,750</u>	<u>\$18,900</u>	<u>\$18,900</u>
ESTIMATED NET EFFECT ON MISSOURI PUBLIC HEALTH SERVICES FUND	<u>\$15,750</u>	<u>\$18,900</u>	<u>\$18,900</u>
VARIOUS STATE FUNDS			
<u>Costs - Various State Agencies</u>			
Increased liability payments (§§537.800 – 537.810)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON VARIOUS STATE FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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FEDERAL FUNDS

Revenue - DOS-FSD

Fee income collected (§§454.428 & 454.548)	\$272,429 to \$651,965	\$715,645 to \$1,626,580	\$737,114 to \$1,675,377
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Losses - DOS

Reduction in reimbursements for fee income collected (§§454.428 & 454.548)	<u>(\$272,429 to \$651,965)</u>	<u>(\$715,645 to \$1,626,580)</u>	<u>(\$737,114 to \$1,675,377)</u>
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**ESTIMATED NET EFFECT ON
FEDERAL FUNDS**

	<u>\$0**</u>	<u>\$0**</u>	<u>\$0**</u>
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**** Revenues and losses exceeding \$700,000 annually net to \$0.**

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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LOCAL GOVERNMENT

Losses – Kansas City and St. Louis Board
of Police Commissioners

Reimbursements from State Legal Expense Fund (§105.726)	(\$458,333)	(\$550,000)	(\$550,000)
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Costs – Local Government

Increased liability payments (§§537.800 – 537.810)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**ESTIMATED NET EFFECT ON
LOCAL GOVERNMENT**

<u>(Unknown exceeding \$458,333)</u>	<u>(Unknown exceeding \$550,000)</u>	<u>(Unknown exceeding \$550,000)</u>
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FISCAL IMPACT - Small Business

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

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FISCAL DESCRIPTION

DEPARTMENT OF REVENUE RECORDS (Section 32.056)

Currently, the department of revenue is prohibited from releasing the home address or any information contained in the motor vehicle or driver registration records of parole officers, federal pretrial officers, peace officers, and their immediate family members. This proposal also prohibits the department from releasing this information for certain federal and state court judges and their immediate family members.

JACKSON COUNTY JURIES (Sections 50.567 and 494.455)

This proposal requires Jackson County to establish a Jury Service Expense Fund consisting of moneys collected in the basic funding for jury service calculated at the rate of six dollars per day. Jurors in Jackson County will not be compensated for their first day of jury service or any pay for mileage, but shall receive six dollars for their second day, and forty dollars for each subsequent day.

STATE LEGAL EXPENSE FUND (Section 105.726)

Currently, the state legal expense fund reimburses the St. Louis and Kansas City board of police commissioners for claims on an equal share basis per claim up to one million dollars per fiscal year and the attorney general is required to represent the board of police commissioners and police officers if requested by the board. This proposal eliminates the reimbursement and makes it optional, rather than mandatory that the attorney general provide legal representation when requested.

ADOPTION RECORDS (Sections 193.125, 193.128, 193.132, 193.255)

This proposal modifies provisions regarding birth certificates and adoption records.

The State Registrar shall develop and, upon a birth parent's request, provide both a contact preference and a medical history form to the birth parent. The contact preference form allows a birth parent to list his or her preference for contact by the adoptee. If a contact preference form is filed with the registrar, a medical history form shall also be so filed. Upon receipt of the forms, the State Registrar shall attach such forms to the original birth certificate of the adopted person.

This proposal allows an adopted person, the adopted person's attorney, or the adopted person's descendants, if the adopted person is deceased, to obtain a copy of the adopted person's original

birth certificate from the State Registrar upon written application and proof of identification.

FISCAL DESCRIPTION (continued)

The adopted person shall be 18 years of age or older and born in Missouri. The adopted person shall also agree in writing to abide by the birth parent's contact preference, if such preference is included with the adopted person's original birth certificate. The State Registrar shall also provide a medical history form, if such form was completed by the birth parent.

The provisions of the proposal. shall not apply to adoptions instituted or completed prior to August 28, 2010, except that a copy of the medical history form, which has had all identifying information redacted, shall be issued to such adopted person. For adoptions completed prior to August 28, 2010, the State Registrar shall release the original birth certificate only if the birth mother is deceased. If the birth mother is not deceased, the State Registrar shall, within three months of application by the adopted person, make reasonable efforts to contact the birth mother via telephone or U.S. mail, personally and confidentially, to obtain the birth mother's written consent or denial to release the original birth certificate. If the birth mother could not be contacted, the adopted person may re-apply for a copy of the original birth certificate within one year from the end of the three-month period during which the attempted contact with the birth mother was previously made.

CHILD SUPPORT SERVICE FEES (Sections 454.425 and 454.548)

This proposal requires the family support division of the department of social services to charge a non-refundable 60 dollar fee to a person who requests that the division review a child support order for the purpose of determining whether a modification to the child support order is appropriate. The proposal requires the family support division to charge a non-refundable fee to a person who requests that the division modify a support order after the division determined that modification is appropriate. The modification fee shall be either 175 or 350 dollars, based on the income of person requesting the modification. The proposal also requires the division to charge a 25 dollar fee for submitting past-due child and spousal support debts for collection through federal income tax refund offset. The division is required to waive these fees for certain individuals. The division is authorized to change the amount of the review fee and modification fee by administrative rule, but the amount of these fees is required to be based on actual standardized cost, as required by federal regulation. The division is also required to charge a 10 dollar fee from support received through the payment center for each order for every year or portion of a year during which payments are received by the payment center.

MISSOURI FALSE CLAIMS ACT (Section 537.800, 537.802, 537.804, 537.806, 537.808, 537.810)

The proposal creates provisions regarding the filing of fraudulent claims for payment with the state, political subdivisions, school districts, charter schools, and municipal corporations. Under

these provisions, anyone who files false claims with these governmental organizations, or any
FISCAL DESCRIPTION (continued)

public employee or official who commits certain prohibited acts or violates certain criminal statutes, will in most cases be subject to civil penalties of at least \$10,000, plus three times the amount of damages to the government. With some exceptions, including claims regarding Mo Health Net, a private person can file a lawsuit on behalf of the government. The attorney general has the authority to intervene and continue the lawsuit, or may allow the private person to continue with the lawsuit. The government may dismiss the action or settle the action, after a hearing before the court. The court may limit the participation of the private person in the lawsuit, if the government shows that it would interfere with their civil case, or may postpone discovery in the case, if it would interfere with a criminal prosecution or other government civil case.

The private person who brings the lawsuit will get a percentage of the money awarded in the lawsuit. If the private person who brought the lawsuit planned or initiated the violation of state law, their recovery is reduced. If the private person who brought the lawsuit is criminally convicted based on their role in the violation of state law, they cannot recover any money.

Employees who are discriminated against in the terms and conditions of their employment because of participating in a false claims case are entitled to file a lawsuit to be reinstated to their job, and receive two times the amount of back pay, interest, special damages, litigation costs, and attorneys' fees.

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

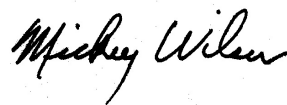
SOURCES OF INFORMATION

Office of Attorney General
Office of Administration -
 Administrative Hearing Commission
 Division of General Services/Risk Management
Office of State Courts Administrator
Department of Economic Development -
 Public Service Commission
 Office of Public Counsel
Department of Elementary and Secondary Education
Department of Higher Education
Department of Insurance, Financial Institutions, and Professional Registration

Department of Mental Health
SOURCES OF INFORMATION (continued)

Department of Natural Resources
Department of Corrections
Department of Health and Senior Services
Department of Labor and Industrial Relations
Department of Revenue
Department of Social Services -
 Family Services Division
 Human Resource Center
Missouri Department of Transportation
Department of Public Safety -
 Director's Office
 Missouri State Highway Patrol
 Missouri State Water Patrol
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Office of Lieutenant Governor
Missouri Senate
Office of Prosecution Services
Office of State Auditor
Office of Secretary of State
Office of State Public Defender
Office of State Treasurer
St. Louis County
St. Louis County Circuit Court
City of Centralia
Boone County Sheriff's Department
Jefferson City Police Department

NOT RESPONDING: Department of Agriculture, Missouri Lottery Commission, Missouri Ethics Commission, Missouri House of Representatives, Office of the Governor and Jackson County



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April 26, 2010

Mickey Wilson, CPA

Director

April 26, 2010

HWC:LR:OD