

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4786-01
Bill No.: HB 1169
Subject: Crimes and Punishment; Counties; Political Subdivisions; St. Louis
Type: Original
Date: January 8, 2014

Bill Summary: This proposal creates the Neighborhood Watch Fund, which provides state funding for political subdivisions and the wards of St. Louis County to establish neighborhood watch organizations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Neighborhood Watch Fund*	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

* Transfer into the fund and expenditures from the fund assumed to net to \$0 annually
Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ 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 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials **Department of Public Safety** and the **Office of the State Treasurer** each assume the proposal would not fiscally impact their respective agencies.

According to officials from the **Office of the Secretary of State (SOS)**, 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 \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize 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 our office can sustain with our core budget. Therefore, we reserve 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 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.

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

Officials from the **City of Columbia** state while it is possible that this bill could benefit the city (if it applied for and received support from the fund), there is nothing in the bill that allows us to determine the extent of any fiscal impact or that identifies the revenue sources for the fund.

Officials from the City of Independence and the City of St. Louis did not respond to our request for fiscal impact.

Oversight will reflect a potential cost to the General Revenue Fund of Unknown - could exceed \$100,000. The proposal limits the funding for the program to less than \$10 million annually. Oversight will assume local political subdivisions that receive funding through this program will spend the proceeds in the same year.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Transfer Out</u> - to the Neighborhood Watch Fund - for disbursements to local political subdivisions	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT OF THE GENERAL REVENUE FUND	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
NEIGHBORHOOD WATCH FUND			
<u>Transfer In</u> - from General Revenue	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000
<u>Costs</u> - disbursements to local political subdivisions for establishment of neighborhood watch organizations.	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT TO THE NEIGHBORHOOD WATCH FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - state funding to establish neighborhood watch organizations	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000
<u>Costs</u> - establishment of neighborhood watch organizations	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill creates the Neighborhood Watch Fund to which the General Assembly may appropriate moneys to provide funds to counties, cities, towns, other political subdivisions, or wards in St. Louis City for the creation or establishment of neighborhood watch organizations. The annual amount of approved disbursement from the fund cannot exceed \$10 million. The Director of the Department of Public Safety must create an application, establish procedures for the entities to follow to receive funds under the provisions of the bill, and administer the fund. The department must determine any disbursements from the fund based on the application submitted and must give priority to areas with a "high crime rate," defined as an area that is in the top 25% of all counties with the highest overall crime rate according to the most recently available State Highway Patrol's Uniform Crime Reporting Program.

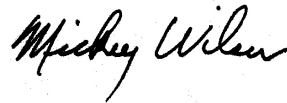
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety
Office of the Secretary of State
Office of the State Treasurer
Joint Committee on Administrative Rules
City of Columbia

Not Responding:

City of Independence
City of St. Louis



Mickey Wilson, CPA
Director
January 8, 2014

Ross Strobe
Assistant Director
January 8, 2014