

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4649-01  
Bill No.: HB 1501  
Subject: Law Enforcement Officers and Agencies; Property, Real and Personal; Civil Procedure; Criminal Procedure  
Type: Original  
Date: January 26, 2018

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Bill Summary: This proposal prohibits law enforcement agencies from transferring seized property to a federal agency in forfeiture litigation except if the seized property is \$100,000 or more in currency.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<b>Local Government</b>	<b>(Unknown, greater than \$100,000)</b>	<b>(Unknown, greater than \$100,000)</b>	<b>(Unknown, greater than \$100,000)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **St. Louis County Police Department (STLCPD)** assume this proposal requires that any forfeiture by STLCPD under \$100,000 would have to be sent to State Asset Litigation. Any forfeiture over \$100,000 could be sent to either State or Federal Asset Litigation. This change would result in a loss for STLCPD because assets seized federally result in a portion of the forfeiture being returned to the agency. Forfeitures seized at the state level are all surrendered by the STLCPD. The exact amount of the loss is unknown, but the forfeiture funds that the STLCPD currently receives support programs for children and assists in the purchase of specialized equipment and technology.

Officials at the **Greene County Sheriff's Department** assume a cost of several hundred thousand dollars per year.

Officials at the **Springfield Police Department (SPD)** assume a cost of \$78,000 in forfeiture funds each year. The \$78,000 would have been the amount remitted back to SPD by the federal agency to purchase needed law enforcement equipment and to fund training.

Officials at the **Joplin Police Department (JPD)** assume an unknown negative fiscal impact. The vast majority of the JPD's cases that go federal and are seized are less than \$100,000.

**Oversight** assumes that multiple law enforcement agencies around the state could be affected by this legislation. Therefore, Oversight will assume an negative unknown fiscal impact that is greater than \$100,000 for local law enforcement agencies.

Officials at the **Department of Public Safety's Missouri Highway Patrol** assume no fiscal impact from this proposal. According to the Patrol's Division of Drug and Crime Control, confidential investigation funds are no longer funded through asset forfeitures.

Officials at the **Office of the Attorney General (AGO)** assume that any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if there is a significant increase in litigation.

Officials at the **Office of the State Courts Administrator**, the **Office of the State Public Defender** and the **Office of Prosecution Services** each assume no fiscal impact to their respective agencies from this proposal.

ASSUMPTION (continued)

Officials at the **Boone County Sheriff's Department** and the **St. Louis County Department of Justice Services** each assume no fiscal impact to their respective entities from this proposal.

Officials from the following **law enforcement agencies**: the Ashland Police Chief, Branson Police Department, Buchanan County Sheriff's Department, Cass County Sheriff's Office, Clark County Sheriff's Department, Clay County Sheriff's Department, Cole County Sheriff's Department, Columbia Police Department, Franklin County Sheriff's Department, Independence Police Department, Jackson County Sheriff's Department, Jasper County Sheriff's Department, Jefferson City Police Department, Jefferson County Sheriff's Department, Lawrence County Sheriff's Department, Platte County Sheriff's Department, St. Charles Police Department, St. Joseph Police Department and the St. Louis Metropolitan Police Department did not respond to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>LOCAL LAW ENFORCEMENT FUNDS</b>			
<u>Loss</u> - St. Louis County Police Department - seizures involving US currency greater than \$100,000	(Unknown)	(Unknown)	(Unknown)
<u>Loss</u> - Greene County Sheriff's Department - seizures involving US currency greater than \$100,000	(Greater than \$100,000)	(Greater than \$100,000)	(Greater than \$100,000)
<u>Loss</u> - Springfield Police Department - seizures involving US currency greater than \$100,000	(\$78,000)	(\$78,000)	(\$78,000)
<u>Loss</u> - Joplin Police Department - seizures involving US currency greater than \$100,000	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)
<b>ESTIMATED NET EFFECT ON LOCAL LAW ENFORCEMENT FUNDS</b>	<b>(Unknown, greater than <u>\$100,000</u>)</b>	<b>(Unknown, greater than <u>\$100,000</u>)</b>	<b>(Unknown, greater than <u>\$100,000</u>)</b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill prohibits law enforcement agencies and prosecuting authorities from entering into agreements to transfer or refer seized property to a federal agency unless the seized property includes more than \$100,000 in United States currency. If the seized property includes more than \$100,000 in U.S. currency, the law enforcement agency can transfer the property to a federal agency for forfeiture litigation under federal law or to a local or state agency for forfeiture litigation under state law.

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  
    Missouri Highway Patrol  
Office of the Attorney General  
Office of the State Courts Administrator  
Office of the State Public Defender  
Office of Prosecution Services  
Greene County Sheriff's Department  
Boone County Sheriff's Department  
St. Louis County Department of Justice Services  
St. Louis County Police Department  
Springfield Police Department  
Joplin Police Department

Ross Strope



Acting Director  
January 26, 2018