

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6106-01
Bill No.: HB 2262
Subject: Courts; Fees
Type: Original
Date: March 16, 2018

Bill Summary: This proposal increases the court cost collected for the statewide court automation fund from \$7 to \$25.

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Statewide Court Automation	\$9,500,000	\$11,400,000	\$11,400,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$9,500,000	\$11,400,000	\$11,400,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

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

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

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the State Courts Administrator** assume the proposal increases the court cost collected for statewide court automation fund from \$7 to \$25. During the past three fiscal years, the average revenue collected on the current \$7 court fee was \$4,414,652 (FY 2015, \$4,514,175; FY 2016, \$4,417,240 and FY 2017, \$4,312,541). Based on this proposal, the \$18 (\$25 - \$7) increase would increase the projected collections for the statewide court automation fund by \$11,351,962 (\$4,414,952/\$7*\$18). The Missouri Court Automation Committee would request a corresponding \$11,351,962 increase in appropriation authority from the statewide court automation fund. The additional spending authority would assist in maintaining and advancing the judiciary's use of automation in the local courts.

Officials at the **City of Springfield** assume a potential positive fiscal impact. The impact is unquantifiable without knowing the amount of funds the State will collect and distribute as provided by §488.018(5)(a), RSMo.

Officials at the **City of Kansas City** and the **City of Columbia** assume no fiscal impact to their respective entities from this proposal.

Oversight notes that according to the Fund Activity reports from the Office of the State Treasurer, the fund had the following activity for the past three years:

Statewide Court Automation Fund (0270)			
Fiscal Year	Receipts	Disbursements	Balance
2017	\$4,336,804	(\$3,702,036)	\$1,424,766
2016	\$4,448,596	(\$5,086,263)	\$789,999
2015	\$4,554,113	(\$4,375,956)	\$1,427,666

Source: Office of the State Treasurer Fund Activity Reports

Therefore, the average receipts into the fund over the past three years as been \$4.4 million. If the fee was increased from \$7 to \$25 (an \$18 increase), Oversight would assume revenue into the fund would increase by approximately \$11.4 million per year. With an August 28, 2018 effective date, Oversight will assume 10 months of impact in FY 2019.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
STATEWIDE COURT AUTOMATION FUND			
<u>Revenues</u> - increases court fee from \$7 to \$25	<u>\$9,500,000</u>	<u>\$11,400,000</u>	<u>\$11,400,000</u>
ESTIMATED NET EFFECT ON THE STATEWIDE COURT AUTOMATION FUND	<u>\$9,500,000</u>	<u>\$11,400,000</u>	<u>\$11,400,000</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2019 (10 Mo.)	 FY 2020	 FY 2021
	<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 increases the amount to be collected for the Statewide Court Automation Fund from \$7 to \$25.

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

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SOURCES OF INFORMATION

Office of the State Courts Administrator
City of Springfield
City of Kansas City
City of Columbia

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director
March 16, 2018