

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0909-01
Bill No.: HB 444
Subject: Law Enforcement Officers and Agencies; Property, Real and Personal; Civil Procedure; Criminal Procedure
Type: Original
Date: February 12, 2019

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

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>Other</u> 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 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government*	\$0	\$0	\$0

*Reduced seized property proceeds to police departments/sheriffs departments offset by gains to local school districts.

FISCAL ANALYSIS

ASSUMPTION

Officials at the **St. Louis County Police Department** assume 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. Captain Boschert, the subject matter expert for St. Louis County Police, advised that the proposed legislation contradicts federal law and would cost the Department over \$100,000 in forfeiture funds.

Oversight inquired the St. Louis County Police Department about what federal statute was being contradicted and has not received a response from the Department.

Officials at the **Jefferson County Sheriff's Office** assume an annual cost of \$100,000 from this proposal.

In response to similar legislation in 2018, HB 1501, officials at the **Greene County Sheriff's Department** assumed a cost of several hundred thousand dollars per year.

In response to similar legislation in 2018, HB 1501, officials at the **Springfield Police Department (SPD)** assumed 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.

In response to similar legislation in 2018, HB 1501, officials at the **Joplin Police Department (JPD)** assumed 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**, the **Office of the Attorney General**, 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)

Oversight assumes the appropriate school districts would receive the proceeds of the seized property referred to in this bill. Therefore, Oversight reflect an offsetting gain to local school districts, netting the fiscal impact to political subdivisions to zero.

Oversight notes that the Department of Public Safety's Missouri Highway Patrol, the Office of the Attorney General, the Office of the State Courts Administrator, the Office of the State Public Defender and the Office of Prosecution Services each has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

In response to similar legislation from 2018, HB 1501, 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local law enforcement agencies were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2020
(10 Mo.)

FY 2021

FY 2022

LOCAL LAW ENFORCEMENT FUNDS

Gain - school districts - proceeds of seized property - offsets losses to police departments / sheriffs departments

Greater than
\$100,000

Greater than
\$100,000

Greater than
\$100,000

Loss - St. Louis County Police Department - seizures involving US currency greater than \$100,000

(Greater than
\$100,000)

(Greater than
\$100,000)

(Greater than
\$100,000)

Loss - Jefferson County Sheriff's Office - seizures involving US currency greater than \$100,000

(Less than
\$100,000)

(Less than
\$100,000)

(Less than
\$100,000)

Loss - 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)

Loss - Springfield Police Department - seizures involving US currency greater than \$100,000

(\$78,000)

(\$78,000)

(\$78,000)

Loss - 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)

ESTIMATED NET EFFECT ON LOCAL LAW ENFORCEMENT FUNDS

\$0

\$0

\$0

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

St. Louis County Police Department
Jefferson County Sheriff's Office
Greene County Sheriff's Department
Springfield Police Department
Joplin Police Department
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
Boone County Sheriff's Department
St. Louis County Department of Justice Services



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February 12, 2019

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