

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2114-04
Bill No.: Perfected HCS for HB 1083
Subject: Business and Commerce; Courts; Estate, Wills, and Trusts
Type: #Updated
Date: May 6, 2019
#Updated to reflect the Missouri Office of Prosecution Services' fiscal impact response.

Bill Summary: This proposal changes the powers of a court to divide certain securities among multiple recipients, increases maximum fees which may be collected for a certain law library, and modifies provisions relating of fines by certain offenders.

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
#Missouri Office of Prosecution Services (0680)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
#Various State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
#Total Estimated Net Effect on <u>Other</u> State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 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	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§476.419 - Dividing Securities Among Multiple Recipients

Officials at the **Office of the State Courts Administrator**, the **Department of Insurance**, **Financial Institutions and Professional Registration** and the **Department of Revenue** each assume no fiscal impact to their respective agencies from this proposal.

Oversight notes that the Office of the State Courts Administrator, the Department of Insurance, Financial Institutions and Professional Registration and the Department of Revenue 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.

House Amendment #1

§488.426 - Fee collection for law library in St. Louis City

#Officials at the **Office of the State Courts Administrator (OSCA)** assume the proposed legislation allows the circuit court in St. Louis City to collect a fee not to exceed twenty dollars, rather than fifteen, to go toward the law library. During the past five years there was an average of 7,585 circuit civil case filings, 7,346 domestic relations civil case filings and 18,314 associate civil and small claims civil case filings, for a total of 33,245. Based upon the increase in the collection fee not to exceed \$20, rather than \$15, to go toward the library, OSCA estimates the increase to be \$0 to \$166,225 (\$5 * 33,245).

Oversight gathered information for FY 2017 and those numbers are as follows:

Circuit Civil	14,756
Domestic Relations	7,646
Associate Civil and Small Claims	<u>16,400</u>
Civil Circuit Total	38,802

Using OSCA's numbers plus FY 17, the new average for each would be as follows:

Circuit Civil	8,780
Domestic Relations	7,396
Associate Civil and Small Claims	<u>17,995</u>
Civil Circuit Total	34,171

ASSUMPTION (continued)

Oversight estimates the increase to be \$0 to \$170,855 (\$5 * 34,171).

In response to similar legislation from this year, HB 124, officials at the **City of St. Louis** stated that according to the Law Librarian, some additional programming, database enhancements, increase in print volumes, and potential benefits to pro se litigants may be gained with additional fees but those are undefined at this time. The Law Library is its own entity separate from the Court. The Court is not in a position to quantify those costs as they pertain to the Circuit's operations.

§§543.270 and 558.006 - Payment fines by offenders

#Officials at the **Office of Prosecution Services (MOPS)** assume a possible negative fiscal impact on MOPS and prosecutors since part of their funding for training and other items is a criminal cost surcharge under §56.765, RSMo. The waiver of costs would impact MOPS and county prosecutors as there is currently a \$1 surcharge in criminal and traffic cases that is split 50 cents to MOPS and 50 cents to county prosecutors. MOPS' share helps fund the operations of the office. Prosecutors use their share to help fund training and other expenses. Any waiver of those costs by a judge would have a negative impact, but the extent of that impact is difficult to determine.

#**Oversight** notes that collection of court costs goes to various state funds also. Below is a list of some of those funds. If a waiver of cost is implemented, those funds would have an unknown loss as well. Therefore, Oversight will reflect a \$0 to unknown loss in surcharge fees deposited into the MOPS fund and the various state funds for this proposal. Oversight will also reflect a \$0 to unknown loss in surcharge fees deposited into local political subdivisions since court clerks, prosecutor training funds and sheriffs' funds may also be affected.

Fee/Fund Name	Fee Amount
Basic Civil Legal Services Fund	\$8.00
Clerk Fee	\$15.00 (\$12 State/\$3 County)
County Fee	\$25.00
State Court Automation Fund	\$7.00
Crime Victims' Compensation Fund	\$7.50

DNA Profiling Analysis Fund	\$15.00
Peace Officer Standards and Training (POST) Fund	\$1.00
Sheriff's Retirement Fund	\$3.00
Motorcycle Safety Trust Fund	\$1.00
Brain Injury Fund	\$2.00
Independent Living Center Fund	\$1.00
Sheriff's Fee	\$10.00 (County)
Prosecuting Attorney and Circuit Attorney Training Fund	\$4.00
Prosecuting Attorney Training Fund	\$1.00 (\$0.50 State/\$0.50 County)
Spinal Cord Injury Fund	\$2.00

#Officials at the **Office of the State Courts Administrator** assume there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

#Officials at the **Department of Corrections** and the **Office of the State Public Defender** each assume no fiscal impact to their respective agencies from this proposal.

Oversight notes that the Office of the State Courts Administrator, the Department of Corrections, 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 for these agencies.

#Officials at the **City of Kansas City** would likely have a negative fiscal impact from section 543.270 of the proposed legislation because many defendants will never pay fines if the only recourse of the sentencing judge is to pursue collection actions.

In response to similar legislation from this year, HCS for HB 192, officials at the **Boone County Sheriff's Department** and the **Jackson County Sheriff's Office** each assumed no fiscal impact to their respective entities from this proposal.

ASSUMPTION (continued)

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, counties and sheriff offices 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.

Oversight notes that removing the imprisonment option for persons who fail to pay fines and court costs may have a direct unknown negative impact on fine and fee collections as well as unknown savings on jail costs, depending upon actions/decisions of judges. Oversight will reflect a positive to negative unknown for locals in the fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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**#MISSOURI OFFICE OF
PROSECUTION SERVICES FUND**

#Loss - MOPS - in funding from potential decrease in surcharge fees collected if there is a waiver of costs HA 1 - (§§543.270 & 558.006)

\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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**#ESTIMATED NET EFFECT ON
THE MISSOURI OFFICE OF
PROSECUTION SERVICES FUND**

<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
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#VARIOUS STATE FUNDS

#Loss - in funding from potential decrease in surcharge fees collected if there is a waiver of costs HA 1 - (§§543.270 & 558.006)

\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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**#ESTIMATED NET EFFECT ON
VARIOUS STATE FUNDS**

<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> - St. Louis City Circuit Court - on filing fees to go towards law library HA 1 - (\$488.426)	\$0 to \$142,379	\$0 to \$170,855	\$0 to \$170,855
<u>Loss</u> - on fine and fee collections HA 1 - (§§543.270 & 558.006)	(Unknown)	(Unknown)	(Unknown)
<u>#Loss</u> - in funding from potential decrease in surcharge fees collected if there is a waiver of costs HA 1 - (§§543.270 & 558.006)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Savings</u> - on jails not utilized on non- payment offenders HA 1 - (§§543.270 & 558.006)	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§488.426 - Fee collection for law library in St. Louis City

Currently, the circuit court in any circuit may collect a fee in civil cases not to exceed \$15, and that fee shall go toward maintenance and upkeep of the law library in the designated county. This bill allows Jackson County and any circuit that reimburses the state for salaries of family court commissioners to charge a fee up to \$20. The bill adds the circuit court in the city of St. Louis to the circuits that may charge a fee up to \$20.

§§543.270 & 558.006 - Payment fines by offenders

Currently, associate circuit judges have the ability to commute fines and costs against defendants who are unable to pay when the defendant requests to be imprisoned in the county jail. The fine shall be credited at the rate of \$10 for each day's imprisonment. This bill repeals that language.

FISCAL DESCRIPTION (continued)

The bill also repeals language that allows the court, upon a motion by the prosecuting attorney or by its own motion, to require a defendant to show cause as to why he or she should not be imprisoned for failure to pay and allows the court to imprison such defendant, if no good cause is shown, for various lengths depending on whether the offense was a misdemeanor or a felony.

Instead, when a defendant fails to pay a fine or an installment, the fine or installment may be collected by any means authorized for the enforcement of money judgments.

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 the State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration
Department of Revenue
Department of Corrections
Office of the State Public Defender
Office of Prosecution Services
City of Kansas City
Jackson County Sheriff's Office
Boone County Sheriff's Department
City of St. Louis



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May 6, 2019

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May 6, 2019