

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2219-04
Bill No.: HCS No. 2 for HB 1063
Subject: Bonds - Bail; Courts
Type: Original
Date: April 18, 2019

Bill Summary: This proposal modifies provisions relating to bail bonds.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)

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 5 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

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the State Courts Administrator (OSCA)** assume the proposed HCS No. 2 for HB 1063 requires the state courts administrator to approve private pretrial court services companies contracted by the court. The fiscal impact resulting from such approval, including FTE and dollars, will vary depending on whether the language contemplates a vendor list process, some level of certification or licensing, or some other process. Further, additional FTE may be required to confirm the value of the surety bond.

Accordingly, Fiscal Note Number 2219-02, House Committee Substitute No. 2 for House Bill 1063 will have some fiscal impact, but there is no way to quantify that currently. Any such impacts will be reflected in future budget requests.

Oversight notes §544.455.1(4) states a person is required to report regularly to some officer of the court, peace officer or a private pretrial court services company. The private pretrial court services company is not required to be contracted with or approved by OSCA in the HCS No. 2 version of the bill. Oversight inquired OSCA regarding this change in the bill and OSCA stated they will be getting further clarification regarding this section of the bill. Oversight will continue to reflect a potential cost that is less than \$100,000 for this proposal until further clarification is received from OSCA.

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Social Services** each assume no fiscal impact to their respective agencies from this proposal.

Oversight notes that the Department of Insurance, Financial Institutions and Professional Registration and the Department of Social 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.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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GENERAL REVENUE FUND

<u>Cost - OSCA - potential cost to contract with private pre-trial court services company</u>	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)
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ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)	\$0 or (Unknown, less than \$100,000)
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<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill allows a court to accept, in lieu of a cash only bond, a guarantee from any surety who is in compliance with the general laws regulating bail bondsmen. The bill also allows the court to require a person to report regularly to a private pretrial court services company. Upon judgment of a bail bond forfeiture, money shall be disbursed in the same manner as the judgment that is paid by a professional surety.

The bill prohibits associate or circuit judges, or their relatives within one degree of consanguinity or affinity, from owning a bail bonds company until two years after the judge is no longer on the bench.

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 Social Services



Kyle Rieman
Director
April 18, 2019

Ross Strobe
Assistant Director
April 18, 2019