

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1869H.011
Bill No.: HB 723
Subject: Prisons and Jails; Department of Corrections
Type: Original
Date: February 14, 2025

Bill Summary: This proposal repeals provisions of law establishing the "Missouri Incarceration Reimbursement Act".

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Inmate Incarceration Reimbursement Act Revolving Fund (0828)	(\$920,305)	(\$920,305)	(\$920,305)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$920,305)	(\$920,305)	(\$920,305)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Repeals §217.825 to 217.841 and implements §650.058 – Missouri Incarceration Reimbursement Act

Officials from the **Department of Corrections (DOC)** state this proposal repeals provisions of law establishing the “Missouri Incarceration Reimbursement Act.”

The proposed legislation appears to repeal the Missouri Incarceration Reimbursement Act (MIRA). The department is appropriated \$750,000 for institutional E&E from the MIRA fund (0828) each year. Repealing sections 217.825 to 217.841 will cost the Department of Corrections \$750,000 a year.

Oversight does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC’s impact for fiscal note purposes.

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

Oversight notes the AGO is also appropriated money from the Inmate Incarceration Reimbursement Act Revolving Fund. In FY 2025, the AGO received \$170,305. For purposes of this fiscal note, Oversight will reflect this amount in addition to the loss provided by the DOC, for an anticipated annual loss of \$920,305 (\$750,000 + \$170,305).

Oversight notes the Inmate Incarceration Reimbursement Act Revolving Fund (0828) had a fund balance of \$492,699 on December 31, 2024.

Officials from the **Department of Labor and Industrial Relations**, the **Department of Public Safety – (Office of the Director and Missouri Highway Patrol)**, the **Department of Revenue**, the **Department of Social Services**, the **Missouri Office of Prosecution Services**, the **Office of Administration**, the **Office of the Secretary of State**, the **Office of the State Courts Administrator**, the **Office of the State Treasurer**, the **City of Kansas City**, and the **Phelps County Sheriff’s Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities, counties, county prosecutors, and sheriff’s departments were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
INMATE INCARCERATION REIMBURSEMENT ACT REVOLVING FUND (0828)			
<u>Loss – DOC (§§217.825 to 217.841)</u> Loss of funding	(\$750,000)	(\$750,000)	(\$750,000)
<u>Loss – AGO (§§217.825 to 217.841)</u> Loss of funding	(\$170,305)	(\$170,305)	(\$170,305)
ESTIMATED NET EFFECT ON THE INMATE INCARCERATION REIMBURSEMENT ACT REVOLVING FUND	(\$920,305)	(\$920,305)	(\$920,305)

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	\$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

MISSOURI INCARCERATION REIMBURSEMENT ACT

This bill repeals the Missouri Incarceration Reimbursement Act.

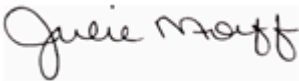
The Missouri Incarceration Reimbursement Act is a statutory process in which the State of Missouri may seek to recover up to 10% of the cost to house an offender for up to two years during the offender's stay in a Department of Corrections institution. The State may seize up to 90% of the value of an offender's assets in order to secure this reimbursement.

Under this bill, the State would no longer be able to seize an offender's assets in order to recover the costs to house the offender.

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

Attorney General's Office
Department of Corrections
Department of Labor and Industrial Relations
Department of Public Safety
Department of Revenue
Department of Social Services
Missouri Office of Prosecution Services
Office of Administration
Office of the State Courts Administrator
Office of the Secretary of State
Office of the State Treasurer
City of Kansas City
Phelps County Sheriff's Department



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February 14, 2025



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