

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4076-03
Bill No.: SB 1382
Subject: Children and Minors; Courts; Education; Crimes and Punishment
Type: Original
Date: March 15, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	(\$59,029,933 to Unknown)	(\$60,118,813 to Unknown)	(\$66,992,072 to Unknown)
Total Estimated Net Effect on General Revenue Fund	(\$59,029,933 to Unknown)	(\$60,118,813 to Unknown)	(\$66,992,072 to Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
State School Monies	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

*** Offsetting Transfers In and Out Total: \$36,296,000 (FY 05); \$37,384,880 (FY 06);
\$38,505,426 (FY 07)**

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	(\$10,764,000)	(\$11,086,920)	(\$11,419,528)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** stated this proposal was not a DHSS issue and would have no fiscal impact.

Officials from the **Department of Mental Health (DMH)** stated this proposal would not affect DMH which already operates its services programs with 18 as the age of majority.

Officials from the **Department of Social Services - Division of Family Support/Children's Division (DOS-DFS)** stated that although DOS-DFS may receive a few youth, age 17-18, in its custody due to status offense adjudication, DOS-DFS anticipates these to only be a few cases. Current law allows the court to take jurisdiction of youth age 17-18 if they are victims of child abuse and neglect and place them with DFS. DOS-DFS does not expect many more youth placed with the Children's Division due to this proposal.

Officials with the **Office of Prosecution Services (OPS)** state that sections of this proposal which would give juvenile courts jurisdiction over seventeen year olds may impact whether prosecutors have cases involving those individuals but the fiscal impact is unknown.

Officials from the **Office of State Courts Administrator (CTS)** indicated the fiscal impact of this proposal would be significant. CTS reported the in calendar year 2000, there were 11,807

ASSUMPTION (continued)

high school dropouts in Missouri. The majority of dropouts are ages 16 and 17. In calendar year 1999, there were 72.4 juvenile law violations referrals per 1,000 juveniles ages 10-17. If even one-half of these 11,807 dropouts were referred to juvenile court, there would be approximately 5,900 additional juveniles in the juvenile court systems, required a high level of custodial care and treatment. CTS assumes the cost would easily exceed \$100,000 per year.

Officials from the **Department of Elementary and Secondary Education (DESE)** made the following assumptions regarding state and local cost of Section 167.031 of this proposal:

State cost - There would likely be an increase in the cost to fully fund the basic state aid formula due to an increase in attendance of students between the ages of 16 and 18. Based on the 1990 census, there could be approximately 13,000 students affected by increasing the compulsory attendance age to 18. The increased cost to fully fund the basic state aid formula is estimated as follows:

13,000 students x \$5,584 formula amount per eligible pupil* x 50%** = \$36,296,000

* \$5,584 is the average cost per pupil when local deductions remain constant. The actual cost is subject to appropriation. (\$3.59 x \$155,536/100 Guaranteed Tax Base for FY2005)

** Assume that only 50% of the students will stay in school.

3% inflation assumption for subsequent fiscal years."

Local cost - The current expenditure per eligible pupil in 2002-03 was approximately \$7,240. The approximate cost to school districts would be: 13,000 x 50% x \$7,240 = \$47,060,000. Approximately \$36,296,000 of this would be paid by the state through the basic state aid formula if the formula has a proration of 1.00. The remainder (approximately \$10,764,000) would come from miscellaneous sources of local, state, or federal revenue. However, if the basic state aid formula is not funded at a proration of 1.00, the district share from other sources will increase. The amount the district will have for all students will decrease on a per student basis if the district has more students.

Officials from the **Department of Corrections (DOC)** assume costs resulting from having to segregate 17 year olds who have been certified and tried as adults from the general population would result in unknown costs not expected to exceed \$100,000.

Officials from the **Department of Social Services - Division of Youth Services (DYS)** anticipates the need for ten 30 bed secure care sites to house approximately 294 additional youth.

ASSUMPTION (continued)

DYS would construct 10 thirty-bed youth facilities consisting of 25,500 square feet each, on property not yet purchased. Each facility will house thirty youth of which 20 will be in a dorm room setting and ten will be in individual security rooms. Conservatively, it would require a minimum of three years to adequately build the capacity to serve this population, thus personnel funding will not be required until FY'08. Costs for FY 08 are estimated at \$33,026,805. For fiscal note purposes only, construction costs have been allocated among the three years it is expected to build the facilities.

According to data provided by the Department of Corrections (DOC) to DYS, 535 youth under age 18 were assigned to the DOC in 2003. Seventy youth under age 18 were placed in DOC facilities for the term of their sentence. It is estimated that six, or fewer, of those youth were under age 17 when they were placed in the DOC.

DYS assumes the 70 youth under the age of 18 currently placed in the DOC would have been certified as adults and transferred to a court of general jurisdiction even if this bill were in effect. Thus, those youth would not have been assigned to the Division of Youth Services, and not included in this fiscal estimate.

Of the 465 youth placed on probation, approximately 19 were under age seventeen. The remaining 446 youth, under age 18 years of age, is the population targeted by this fiscal impact estimate.

All 446 youth predicted to be committed to the division would require case management services. Case managers maintain a caseload of approximately 25 youth. It is, therefore, estimated that 18 additional case managers will be needed to maintain the desired ratio ($446 / 25 = 18$ case managers).

It is the pattern of DYS to assign 88% of the youth committed to its care to residential care for treatment. Youth placed in secure care residential facilities have a nine-month average length of stay, thus:

$$\begin{aligned} .88 \times 446 \text{ youth projected to be assigned to DYS} &= 392 \text{ requiring residential care} \\ 392 \text{ youth} \times .75 \text{ (9 month average length of stay)} &= 294 \text{ needed bed spaces} \end{aligned}$$

Only 12% of the division's initial commitments are assigned to receive community-based services. Youth are served by DYS through community-based supervision and day treatment programs for a minimum of four months. The minimum increase in the daily community supervision caseload of DYS service coordinators would be 23 youth.

ASSUMPTION (continued)

.12 x 446 youth projected to be assigned to DYS = 54 placed in community care
 54 youth x .33 (4 month min. length of service) = 18 in community supervision

The division projects the daily increase of 18 youth would not require an expansion to the current number of day treatment centers. If this proposal's compulsory school attendance is increased to age 18, the division believes the ten existing day treatment sites would be able to absorb those youth requiring day treatment services.

Officials from the **Office of State Public Defender** did not respond to a request for fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
GENERAL REVENUE			
<u>Cost</u> - Department of Elementary and Secondary Education - Basic State Aid Formula (Section 167.031)	(\$36,296,000)	(\$37,384,880)	(\$38,506,426)
<u>Cost</u> - State Courts Administrator - Additional Juvenile Court Cases	(Unknown - Expected to Exceed \$100,000)	(Unknown - Expected to Exceed \$100,000)	(Unknown - Expected to Exceed \$100,000)
<u>Cost</u> - Department of Corrections - Separate Housing for 17 year olds tried as adults	(Unknown - Not expected to Exceed \$100,000)	(Unknown - Not expected to Exceed \$100,000)	(Unknown - Not expected to Exceed \$100,000)
<u>Cost</u> - Department of Social Services - Division of Youth Services - Construction of Facilities	(\$22,733,933)	(\$22,733,933)	(\$28,485,646)
EXPECTED NET EFFECT ON GENERAL REVENUE	<u>(\$59,029,933 to Unknown)</u>	<u>(\$60,118,813 to Unknown)</u>	<u>(\$66,992,072 to Unknown)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
STATE SCHOOL MONIES FUND			
<u>Transfer In</u> - General Revenue	\$36,296,000	\$37,384,880	\$38,506,426
<u>Transfer Out</u> - Distribution to Schools	<u>(\$36,296,000)</u>	<u>(\$37,384,880)</u>	<u>(\$38,506,426)</u>
ESTIMATED NET EFFECT ON STATE SCHOOL MONIES FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2005 (10 Mo.)	 FY 2006	 FY 2007
SCHOOL DISTRICTS			
<u>Income</u> - Transfer from State School Monies Fund	\$36,296,000	\$37,384,880	\$38,506,426
<u>Cost</u> - Increased Enrollment due to Increase in Compulsory Attendance Age	<u>(\$47,060,000)</u>	<u>(\$48,471,800)</u>	<u>(\$49,925,954)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>(\$10,764,000)</u>	<u>(\$11,086,920)</u>	<u>(\$11,419,528)</u>

FISCAL IMPACT - Small Business

When facilities are opened in a new location, some members of the local business community may experience increased revenues from the facility and/or the employees of the new facility.

DESCRIPTION

This proposal has several provisions relating to the age of majority:

- 1) Every parent or guardian is responsible for enrolling his or her child in school and ensuring attendance until the age of eighteen. A child may be excused from attendance until age eighteen by the superintendent or a court. A child who completes secondary grade levels or a GED test prior to age eighteen shall not be required to attend school;
- 2) Children under eighteen years of age who have not completed school and who are not

DESCRIPTION (continued)

attending regular day school shall be required to attend part-time classes regularly;

3) Changes the definition of child to mean a person under eighteen years of age in Chapter 211, RSMo, concerning juvenile courts. The jurisdiction of the juvenile courts is extended to those individuals under the age of eighteen;

4) A child between the ages of twelve and eighteen can be transferred to a court of general jurisdiction unless there is a petition which alleges that a child ten years of age or older has committed certain dangerous felonies;

5) Allows a person who has not reached the age of eighteen at the time when he or she committed murder in the first degree to be imprisoned for life without parole or probation;

6) Establishes that a person does not commit false imprisonment under certain circumstances when the person being restrained is under the age of eighteen; and,

7) Changes the definition of child to mean a person under the age of eighteen in Chapter 565, RSMo, concerning Offenses Against the Person.

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

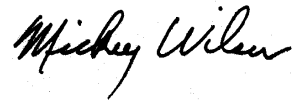
SOURCES OF INFORMATION

Department of Social Services
Division of Children's Services
Division of Youth Services
Office of Prosecution Services
Department of Mental Health
Department of Elementary and Secondary Education
Office of State Courts Administrator
Department of Health and Senior Services
Department of Corrections

SOURCES OF INFORMATION (continued)

NOT RESPONDING

Office of State Public Defender

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 15, 2004