

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4097-03
Bill No.: SB 1152
Subject: Courts; Civil Procedure; Criminal Procedure; Juvenile Courts
Type: Original
Date: February 25, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$34,481) to \$1,865,519	(\$37,667) to \$1,862,333	(\$38,577) to \$1,861,423
State School Money	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	(\$34,481) to \$1,865,519	(\$37,667) to \$1,862,333	(\$38,577) to \$1,861,423

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Federal Funds	\$10,534	\$13,026	\$13,416
Total Estimated Net Effect on <u>All</u> Federal Funds	\$10,534	\$13,026	\$13,416

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	Unknown to \$1,900,000	Unknown to \$1,900,000	Unknown to \$1,900,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services, Department of Public Safety – State Highway Patrol, Department of Corrections, and the St. Louis County Sheriff’s Office** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Callaway County Circuit Clerk’s Office** assume the elimination of advance filing fees or court cost assessments (\$455.027) would increase the financial burden to the county. Also, the number of filing fees would increase, so the county would be liable for a greater number of fees.

Officials from the **Cole County Recorder of Deeds’ Office** assume costs would increase approximately \$25,000 per year due to the need for extra manpower to record, release, etc. liens.

Officials from the **Office of Secretary of State (SOS)** assume this bill establishes the State Court Judicial Administrative Revolving Fund and modifies various aspects of court administration. The State Court Administrator may promulgate rules to implement this bill. Based on experience with other divisions, the rules, regulations and forms issued by the State Court Administrator could require as many as 6 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the code because cost statements, fiscal notes and the like are not repeated in Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn. Based on these costs, the SOS estimates the cost of the proposal to be \$369 in FY 03 and unknown in subsequent years.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which would require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Department of Revenue (DOR)** assume this legislation should have little impact on their agency:

Section 429.470 – Creditor liens filed. If Missouri acts as a creditor in this situation, and the Debtor files bankruptcy, the State (MDOR) will have to monitor and collect on this judgment lien in Federal Court.

ASSUMPTION (continued)

Section 488.5021.1 – Court ordered fee. If the person who pays the penalty fee files bankruptcy, there are possible consequences if they include a criminal fee in their bankruptcy proceeding. This may not affect the Department of Revenue unless the fee is a Motor Vehicle Administrative fee like the one for DWI, etc.

Officials from the **Office of State Courts Administrator (CTS)** assume the proposed legislation would revise various court administrative sections, including fee payments, filing procedures, cost assessments, and fine collections. The only provision that would have a significant fiscal impact on the courts is contained in Section 488.5021. This section would allow a court to assess an additional \$20 fee for penalties, fines, and sanctions not paid in full within 30 days of imposition.

Depending on the rate of assessment and collection, CTS estimates the range of possible collections is from \$1 million to \$1.9 million. The first figure, \$1 million, is based upon a 20% to 25% collection on misdemeanor and felony cases, and 10% on traffic. The second figure, \$1.9 million, is based on a collection rate of 40% of felonies and 75% of misdemeanors, and is the less likely amount of the two estimates.

Oversight assumes a \$20 fee for penalties, fines, and sanctions not paid within 30 days of imposition would result in an increase in fine revenue to the municipalities, counties, and local school districts. Oversight assumes the increase in fine revenue resulting from this proposal to the local school districts will decrease the contribution by the state to the State School Money Fund (through the General Revenue Fund).

Officials from the **State Treasurer's Office (STO)** assume this bill modifies various aspects of court administration. Section 476.059 establishes the "State Court Judicial Administrative Revolving Fund." The STO will administer and disburse moneys collected from the fund. Unexpended balances are exempt from biennium transfer until funds exceed the greater of ½ of the expenditures from the previous year or \$50,000. Since the bill does not mention interest, the fund will not retain any interest earnings. As it reads, the STO will require an FTE Accountant I, at \$31,610 per year, plus fringe benefits, expense and equipment. The STO estimates the cost of the proposal to be \$39,908 in FY 03; \$44,377 in FY 04; and \$45,488 in FY 05.

Officials from the **Department of Social Services – Division of Child Support Enforcement (DCSE)** assume the proposal eliminates the requirement that DCSE send a copy of the administrative wage withholding on a non-custodial parent to the circuit clerk of the appropriate court, resulting in reduced office supply costs.

ASSUMPTION (continued)

In order to estimate the fiscal impact of the proposal, DCSE calculated the number of case actions that would be affected by this legislation, considered the effect upon paper, copier/printer, and postage costs. The DCSE estimates the total savings to be \$2,361 for paper and \$16,800 for postage, for a total savings of \$19,161. The DCSE estimates the savings to the General Revenue Fund to be \$5,427 in FY 03; \$6,710 in FY 04; and \$6,911 in FY 05. The DCSE estimates the savings to Federal Funds to be \$10,534 in FY 03; \$13,026 in FY 04; and \$13,416 in FY 05.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Savings</u> – Department of Social Services			
Reduced copy/postage expense	\$5,427	\$6,710	\$6,911
<u>Savings</u> – Decreased Transfers to State	Unknown to	Unknown to	Unknown to
School Money Fund	\$1,900,000	\$1,900,000	\$1,900,000
<u>Costs</u> – State Treasurer’s Office			
Personal Service	(\$26,342)	(\$32,400)	(\$33,210)
Fringe Benefits	(\$9,486)	(\$11,667)	(\$11,959)
Equipment and Expense	<u>(\$4,080)</u>	<u>(\$310)</u>	<u>(\$319)</u>
Total Costs – STO	(\$39,908)	(\$44,377)	(\$45,488)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$34,481) to \$1,865,519</u>	<u>(\$37,667) to \$1,862,333</u>	<u>(\$38,577) to \$1,861,423</u>
STATE SCHOOL MONEY FUND			
<u>Savings</u> – Decreased Distributions to	Unknown to	Unknown to	Unknown to
School Districts	\$1,900,000	\$1,900,000	\$1,900,000
<u>Loss</u> – Decreased Transfers from General	(Unknown to	(Unknown to	(Unknown to
Revenue Fund	<u>\$1,900,000)</u>	<u>\$1,900,000)</u>	<u>\$1,900,000)</u>
ESTIMATED NET EFFECT ON STATE SCHOOL MONEY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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FEDERAL FUNDS

<u>Savings – Department of Social Services</u> Reduced copy/postage expense	<u>\$10,534</u>	<u>\$13,026</u>	<u>\$13,416</u>
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ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$10,534</u>	<u>\$13,026</u>	<u>\$13,416</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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SCHOOL DISTRICTS

<u>Increase in Revenue</u> – Additional \$20 fee for penalties, fines, and sanctions not paid within 30 days	Unknown to \$1,900,000	Unknown to \$1,900,000	Unknown to \$1,900,000
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<u>Reduction in Replacement Revenue</u> – Decreased distributions from the State School Money Fund	(Unknown to <u>\$1,900,000</u>)	(Unknown to <u>\$1,900,000</u>)	(Unknown to <u>\$1,900,000</u>)
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ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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LOCAL GOVERNMENTS

Increase in Revenue – Additional \$20 fee for penalties, fines, and sanctions not paid within 30 days	Unknown to <u>\$1,900,000</u>	Unknown to <u>\$1,900,000</u>	Unknown to <u>\$1,900,000</u>
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ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	Unknown to <u>\$1,900,000</u>	Unknown to <u>\$1,900,000</u>	Unknown to <u>\$1,900,000</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.

DESCRIPTION

BLG:LR:OD (12/01)

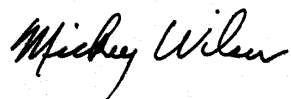
The proposed legislation would change several provisions relating to court procedures and jurisdiction. In its major provisions, the proposal would:

1. Require that mechanics' liens be filed in the recorder of deeds office rather than the circuit court;
2. Add juvenile proceedings and domestic violence actions to the types of cases for which the state will pay for an interpreter or translator for a party or witness to the proceeding;
3. Change the assessment of fees in certain criminal cases payable to the county or the state from time of conviction to the plea or finding of guilt;
4. Allow a court to assess an additional \$20 fee for penalties, fines, and sanctions not paid in full within 30 days of imposition;
5. Provide that certain jury lists will only be disclosed pursuant to local court rule;
6. Remove the requirement that a transcript judgment be filed with the circuit clerk before a judgment entered by an associate division of the circuit court becomes a lien on real property;
7. Eliminate filing fees and other costs associated with obtaining orders of protection or registering foreign orders of protection pursuant to Chapter 455, RSMo; and
8. In child protective orders cases, require courts to notify guardians ad litem or court-appointed special advocates immediately of appointment and to provide them with copies of the petition and the names, addresses, and telephone numbers of the parties within 24 hours of appointment.

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

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Revenue
Department of Social Services
Office of Secretary of State
State Treasurer's Office
Department of Public Safety
 – State Highway Patrol
Department of Corrections
Callaway County Circuit Clerk
St. Louis County Sheriff
Cole County Recorder of Deeds



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