COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 1617-01 <u>Bill No.</u>: SB 395

Subject: Courts; Family Law

<u>Type</u>: Original

<u>Date</u>: March 7, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Total Estimated				
Net Effect on All	φ n	φ n	φ 0	
Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2006	FY 2007	FY 2008	
Local Government	\$0	\$0	\$0	

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator (CTS)** assume the proposed legislation would allow certain local courts (those that have not established a family court) to impose a \$30 surcharge on some cases and use the proceeds to provide alternative dispute resolution (ADR) services.

Because the legislation is permissive, CTS has no way of knowing how many courts would assess the surcharge an establish a program. Consequently, CTS is unable to estimate the amount of money that might be collected or the number of ADR specialists that might be hired. CTS assumes there would be no cost to General Revenue.

Oversight assumes the proposal is permissive and, therefore, assumes the proposal would have no fiscal impact. However, if the local courts choose to impose a surcharge and provide ADR services, they may experience a fiscal impact. Since the language is permissive, Oversight assumes no impact.

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FISCAL IMPACT - State Government	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Local Government	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

The proposed legislation creates a new section allowing any circuit court that has not established a family court to assess a thirty-dollar surcharge in all proceedings that would otherwise be under the jurisdiction of a family court, such as actions involving dissolution or annulment of marriage, legal separation, maintenance, child custody and modification, adoption, juvenile proceedings, establishment of parent and child relationship proceedings, and child support enforcement.

The surcharge will not be charged when no court costs are otherwise required, or in any proceeding when costs are waived or to be paid by the state, county, or municipality. The surcharge will not be charged to a government agency or against the petitioner for adult abuse and child protections actions, but may be charged to the respondent in such actions.

The funds collected from the surcharges will be deposited in an alternative dispute resolution fund. The fund shall be used to provide alternative dispute resolution services to those parties in the sort of proceedings mentioned above and to fund a specialist to develop and implement an alternative dispute resolution program.

Circuit courts may enter into a multi-circuit agreement to jointly hire the specialist and to fund the specialist from the various dispute resolution funds.

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DESCRIPTION (continued)

From the funds collected under this act, each circuit or county where an alternative dispute resolution specialist has been appointed shall reimburse the state for actual costs of that portion of the salaries of such a specialist.

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 State Courts Administrator

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Director

March 7, 2005