

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0605-04
Bill No.: Truly Agreed To and Finally Passed HCS #2 for SCS for SB 163
Subject: Courts; Federal – State Relations; Fees
Type: Original
Date: June 1, 2007

Bill Summary: The proposal extends the sunset of the Basic Civil Legal Services Fund from 2007 to 2012 and increases statutory fees paid to court reporters for preparation of transcripts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$71,842 to \$171,842)	(\$86,210 to \$186,210)	(\$86,210 to \$186,210)
Total Estimated Net Effect on General Revenue Fund	(\$71,842 to \$171,842)	(\$86,210 to \$186,210)	(\$86,210 to \$186,210)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Basic Civil Legal Services	(\$1,500,000)	(\$3,000,000)	(\$3,000,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$1,500,000)	(\$3,000,000)	(\$3,000,000)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	(\$35,542)	(\$42,650)	(\$42,650)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration – Administrative Hearing Commission, – General Services Division, Department of Social Services, and the Department of Conservation** assume the proposal would have no fiscal impact on their agencies.

In response to a previous version of the proposal (HCS #2 for SCS for SB 163, LR # 0605-04), officials from the **Department of Transportation** assumed the proposal would have no fiscal impact on their agency.

Basic Civil Legal Services Fund – \$477.650

Officials from the **Office of State Courts Administrator** assume the proposed legislation would extend the sunset of the Basic Civil Legal Services Fund from 2007 to 2012. In addition, the legislation would increase statutory fees paid to court reporters for preparation of transcripts.

The Basic Civil Legal Services Fund provides low income Missourians with equal access to the civil justice system. Moneys are paid to the Office of the State Court Administrator and credited to the fund, which is administered by the Supreme Court.

In addition to the other fees authorized by law, the clerk of each court collects fees on the filing of any civil and criminal action or proceeding, including an appeal: Supreme Court and Court of Appeals \$20; Circuit Courts \$10; Associate Circuit Courts \$8. The fund collects and disburses approximately \$3,000,000 in any given year.

Oversight assumes the provision authorizing the distribution of funds in the basic civil legal services fund will be extended from the current expiration date of December 31, 2007, to December 31, 2012. Oversight has reflected the distribution of funds for 6 months of FY 2008 and for 12 months of FY 2009 and FY 2010.

Fees Paid to Court Reporters for Preparation of Transcripts – \$488.2250

Officials from the **Office of the Attorney General (AGO)** assume the provisions of Section 488.2250 relating to an increase in the costs of obtaining a court transcript will result in additional costs. AGO assumes that costs would be unknown, but would be less than \$100,000 per year.

ASSUMPTION (continued)

Officials from the **Office of State Courts Administrator (CTS)** assume court reporters are statutory state employees who are paid fees in addition to their statutory salary. The per page rate for original civil and criminal transcripts would be increased from \$1.50 to \$2.00, or a \$.50 increase (33%).

While most transcript costs are paid by private litigants, there are some costs borne by the judiciary, State Public Defender, and state agencies who are parties to appeals. The current budget for court reporter fees paid by the judiciary is approximately \$132,000. Based on the minimum 33% increase for original transcripts, the additional cost to the judiciary would be at least \$43,560.

Oversight has adjusted the additional cost to the judiciary to reflect 10 months for FY 2008.

Officials from the **Department of Labor and Industrial Relations (DOLIR)** assume the proposal increases court reporter fees from \$1.50 to \$2.00 for the first page of a transcript. To date in fiscal year 2007, DOLIR has spent \$3,979 in court reporter expenses (2,653 pages). The \$.50 increase for the first page will increase DOLIR's expense by \$1,446.82 (annualized) each year.

Oversight assumes the Department of Labor and Industrial Relations could absorb the cost of increased court reporter expenses within existing resources.

Officials from the **Office of Prosecution Services (OPS)** assume the increase in the cost of transcripts prepared by court reporters of testimony given or proceedings had in any circuit court from \$1.50 per page to \$2.00 per page will have an adverse fiscal impact on Prosecuting Attorneys, though it is not possible on short notice to gather financial information from the various county prosecuting attorneys and compile statistics to show the total increase in costs to prosecutors. Many prosecutors have reported to the Office of Prosecution Services that the costs of deposition transcripts have increased substantially in past years because of rule changes and changes in the way defense lawyers and particularly Public Defenders have increased their use of depositions in criminal matters.

OPS states the Public Defender System should be in a much better position to predict the impact of this cost increase. Any increase forecast by the Public Defender System should apply equally to prosecuting attorneys, with the difference being that prosecutors will also absorb the increased cost from cases involving defendants represented by private attorneys.

ASSUMPTION (continued)

Officials from the **Office of the State Public Defender (SPD)** estimate they spend \$750,000 per year for transcripts and depositions. This legislation increases the cost per original from \$1.50 to \$2.00 per page, or an increase of 33%. SPD estimates the cost of the proposal to exceed \$250,000 per fiscal year.

In response to a similar proposal from the current session (HB 826, LR # 2062-01), officials from the Office of the State Public Defender assumed the proposed legislation increases the fees paid to court reporters for transcriptions typed and copied. Currently the cost is \$1.50 per page of original transcription. This will be increased to \$2.25 per page. Currently the cost per copy is \$.35 per page. This will be increasing to \$.70 per page. The SPD is responsible for payment of court reporter transcription fees.

SPD assumed approximately 170,600 pages of transcription are paid for each fiscal year. 1 original and three copies = total cost per page of \$2.55 currently, for a total of \$435,030.

SPD assumed the new costs equal \$4.35 per page, or an additional \$1.80 per page. At 170,600 per page, the additional costs are \$307,080.

For fiscal note purposes, **Oversight** utilized the cost estimates provided by the Office of the State Public Defender in its response to HB 826, LR # 2062-01. Oversight has adjusted the Office of the State Public Defender cost estimates to reflect the increased costs outlined in this proposal, or an increase of \$.50 per page for original civil and criminal transcripts.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Costs – Office of the Attorney General</u>			
Increased transcript costs (§488.2250)	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
<u>Costs – Office of State Courts Administrator</u>			
Increased transcript costs (§488.2250)	(\$36,300)	(\$43,560)	(\$43,560)
<u>Costs – Office of the State Public Defender</u>			
Increased transcript costs (§488.2250)	<u>(\$35,542)</u>	<u>(\$42,650)</u>	<u>(\$42,650)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$71,842 to \$171,842)</u>	<u>(\$86,210 to \$186,210)</u>	<u>(\$86,210 to \$186,210)</u>
 BASIC CIVIL LEGAL SERVICES FUND			
<u>Costs – Office of State Courts Administrator</u>			
Distribution to legal services organizations (§477.650)	<u>(\$1,500,000)</u>	<u>(\$3,000,000)</u>	<u>(\$3,000,000)</u>
ESTIMATED NET EFFECT ON BASIC CIVIL LEGAL SERVICES FUND	<u>(\$1,500,000)</u>	<u>(\$3,000,000)</u>	<u>(\$3,000,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
POLITICAL SUBDIVISIONS			
Costs – County Prosecuting Attorneys			
Increased transcript costs (§488.2250)	<u>(\$35,542)</u>	<u>(\$42,650)</u>	<u>(\$42,650)</u>
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>(\$35,542)</u>	<u>(\$42,650)</u>	<u>(\$42,650)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

The proposed legislation modifies the provisions relating to the basic civil legal services fund. The expiration date of §477.650, the distribution of moneys in the basic civil legal services fund, is extended from December 31, 2007, to December 31, 2012. (§477.650)

The proposal also increases the statutory fees paid to court reporters for the preparation of transcripts. The per page rate for original civil and criminal transcripts would be increased from \$1.50 to \$2.00. (§488.2250)

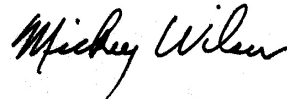
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General
Office of Administration
 – General Services Division
 – Administrative Hearing Commission
Office of State Courts Administrator
Department of Transportation
Department of Labor and Industrial Relations
Department of Social Services
Department of Conservation
Office of the State Public Defender

NOT RESPONDING

Office of Prosecution Services



Mickey Wilson, CPA
Director
June 1, 2007