

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4360-13
Bill No.: Truly Agreed To and Finally Passed HCS for SCS for SBs 1034 & 802
Subject: Attorney General, State; Consumer Protection
Type: Original
Date: May 30, 2008

Bill Summary: Modifies record-keeping requirements for purchasers of scrap metal and creates penalties for unlawful purchases of certain scrap metal.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety (DPS) - Director's Office, DPS - Missouri State Highway Patrol, Department of Revenue, Office of State Courts Administrator, and Department of Economic Development - Public Service Commission** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Prosecution Services (OPS)** state because the provisions of this proposal creates new criminal laws, the OPS assumes it would have a direct fiscal impact on county prosecutors from an increase in the number of cases referred for prosecution. However, the OPS is not able to establish an estimate of the additional criminal cases that would be referred to the County Prosecutors for charges.

It is assumed this proposal would not have a significant direct fiscal impact on the OPS.

Oversight assumes county prosecutors can absorb any additional costs incurred as a result of the proposed legislation within existing resources.

Officials from the **Office of Attorney General (AGO)** did not respond to our request for a statement of fiscal impact. However, in response to an earlier version of this proposal, the AGO assumed the proposal would have no fiscal impact on their organization.

Officials from the **Department of Corrections (DOC)** state they cannot predict the number of new commitments which may result from the creation of the offenses(s) outlined in this proposal. An increase in commitment depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY 07 average of \$41.21 per inmate per day, or an annual cost of \$15,040 per inmate) or through supervision provided by the Board of Probation and Parole (FY 07 average of \$2.43 per offender per day, or an annual cost of \$887 per offender). Supervision by the DOC through probation or incarceration would result in additional unknown costs to the DOC. Seven (7) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

ASSUMPTION (continued)

Officials from the **Office of State Public Defender (SPD)** did not respond to our request for a statement of fiscal impact. In response to an earlier version of this proposal, SPD officials stated the SPD cannot assume that existing staff will provide competent, effective representation for any new cases arising where indigent persons are charged with new crimes relating to the purchase of scrap yards. It will be a new misdemeanor for scrap yards to purchase beer kegs or manhole covers. It will also be a new misdemeanor for failure to maintain records. It will become a class C felony to steal or appropriate, without the owner's consent, any wire, electrical transformer, metallic wire for telecommunications, or device or pipe used to conduct electricity or transport fuels.

Passage of bills increasing penalties on existing crimes, or creating new crimes, requires the SPD system to further extend resources. While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide competent and effective representation in all its cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
GENERAL REVENUE FUND			
<u>Costs - DOC</u>			
Increase in incarceration and parole costs	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal will administratively impact small business scrap metal businesses because of more stringent record-keeping requirements.

FISCAL DESCRIPTION

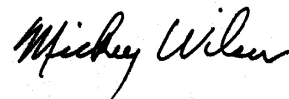
The proposal makes it a Class C felony to steal or appropriate, without the owner's consent, any wire, electrical transformer, metallic wire for telecommunications, or device or pipe used to conduct electricity or transport fuels.

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
Department of Corrections
Department of Economic Development -
Public Service Commission
Department of Revenue
Department of Public Safety -
Missouri State Highway Patrol
Office of Prosecution Services

NOT RESPONDING: Office of Attorney General,, and Office of State Public Defender



Mickey Wilson, CPA
Director
May 30, 2008