

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5379-02  
Bill No.: Truly Agreed To and Finally Passed SCS for HB 1460  
Subject: Courts; Telecommunications  
Type: Original  
Date: June 4, 2012

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Bill Summary: This proposal extends the expiration date of the statewide court automation fund to 2020.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Statewide Court Automation	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Offsetting income, expenses and transfers in the Statewide Court Automation Fund net to zero in each fiscal year.

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of the State Courts Administrator** state the proposed legislation would extend the Statewide Court Automation Fund until September 1, 2018. The fund is used for basic ongoing maintenance of the technological needs of the courts statewide and constitutes approximately 45 percent of the total court automation expenditures, with the rest coming from General Revenue. If the fund sunsets in September 2018, the judiciary would anticipate a budget request for General Revenue of approximately \$5 million and 34 FTE in fiscal 2019.

Officials from the **Office of Administration** and the **Office of the State Treasurer** each assumed the proposal would not fiscally impact their respective agencies.

**Oversight** assumes the proposed legislation would replace the September 1, 2013 expiration date of the Statewide Court Automation Fund and the Statewide Court Automation Fund fees. The activity in the fund for the previous five fiscal years has been:

Statewide Court Automation Fund (0270)  
 from  
 Fund Activity Report

Fiscal Year	Beginning Balance	Receipts	Disbursements/ JVs	Transfers/IAB	Ending Balance
2011	\$514,035	\$5,207,903	( \$4,352,894)	(\$884,337)	\$484,708
2010	\$573,453	\$5,567,800	( \$4,510,796)	( \$1,116,422)	\$514,035
2009	\$744,534	\$5,895,702	( \$5,248,108)	(\$818,675)	\$573,453
2008	\$523,045	\$5,684,276	( \$4,176,715)	( \$1,286,071)	\$744,534
2007	\$573,954	\$5,334,765	( \$4,608,026)	(\$777,648)	\$523,045

**Oversight** assumes the proposal would result in continued revenues and costs to the Statewide Court Automation Fund in fiscal years 2014 through 2019. Based on the data from the past five fiscal years, Oversight assumes the proposal would result in average annual revenues of approximately \$5,500,000, costs of approximately (\$4,500,000), and transfers of approximately (\$1,000,000), resulting in a net zero impact to the Statewide Court Automation Fund each year. Oversight has reflected the initial impact of the proposal in FY 2014 (10 months) since the current expiration date is September 1, 2013 (FY 2014). Oversight also assumes the entire balance of the Statewide Court Automation Fund would have been expended by September 1, 2013 and the extension of this to 2018 would not have a fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>STATEWIDE COURT AUTOMATION FUND</b>			
<u>Revenues</u> – Office of State Courts Administrator			
Continued collection of state court automation fund fees	\$0	\$4,583,333	\$5,500,000
<u>Costs</u> – Office of State Courts Administrator			
Statewide court automation system	\$0	(\$3,750,000)	(\$4,500,000)
<u>Transfers</u> – Office of State Courts Administrator			
Net of transfers in, transfers out, and IAB transactions	<u>\$0</u>	<u>(\$833,333)</u>	<u>(\$1,000,000)</u>
<b>ESTIMATED NET EFFECT ON STATEWIDE COURT AUTOMATION FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

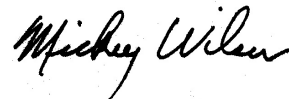
### FISCAL DESCRIPTION

Currently, the provisions regarding the statewide court automation fund fee assessed in certain court cases expire on September 1, 2013 (FY 2014). This bill extends the expiration date to September 1, 2018. The Court Automation Committee is required to complete its duties by September 1, 2020, when the provisions regarding the Statewide Court Automation Fund expire. Currently, the committee must complete its duties by September 1, 2015, when the provisions regarding the fund expire.

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 State Courts Administrator  
Office of Administration  
Office of the State Treasurer



Mickey Wilson, CPA  
Director  
June 4, 2012