

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5641-09
Bill No.: HCS for SCS for SB 729
Subject: Political Subdivisions; County Officials; Cities, Towns and Villages
Type: Original
Date: May 10, 2012

Bill Summary: This proposal changes provisions relating to political subdivisions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

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

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Local Government	\$124,092	\$148,910	\$148,910

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Prosecuting Attorneys' and Circuit Attorneys' Retirement System, Department of Public Safety, Department of Labor and Industrial Relations, Department of Economic Development, Department of Mental Health, Office of the Governor, Department of Natural Resources, Joint Committee on Public Retirement, Department of Insurance, Financial Institutions and Professional Registration, State Tax Commission, Office of Prosecution Services and Office of Administration - Budget and Planning** each assume the current proposal would not fiscally impact their respective agencies.

Officials from the Department of Revenue and Office of Administration - Information Technology Systems Department (OA-ITSD (DOR)) assume the department will need to make programming changes to various tax systems to comply with the proposal.

Oversight assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. Oversight assumes OA-ITSD (DOR) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal can be absorbed with existing resources.

In response to a previous version of this legislation, officials from the **Department of Transportation, Office of the State Auditor and Office of Administration** assumed the proposal would not fiscally impact their agencies.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements

ASSUMPTION (continued)

should the need arise based on a review of the finally approved bills signed by the governor.

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

In response to a previous version of this legislation, officials from the **Department of Corrections (DOC)** stated that they could not predict the number of new commitments which could result from the creation of the offense(s) outlined in the proposal. An increase in commitments would depend on the utilization of prosecutors and the actual sentences imposed by the courts. If additional persons were sentenced to the custody of the DOC due to the provisions of this legislation, the DOC would incur a corresponding increase in operational costs either through incarceration (FY 2011 average \$16.878 per inmate, per day or an annual cost of \$6,160) or through supervision provided by the Board of Probation and Parole (FY 2011 average \$5.03 per offender, per day or an annual cost of \$1,836).

The following factors contribute to DOC's minimal assumption:

- DOC assumes the narrow scope of the crime will not encompass a large number of offenders.
- The low felony status of the crime enhances the possibility of plea-bargaining or imposition of a probation sentence.
- The probability exists that offenders would be charged with a similar but more serious offense or that sentences may run concurrent to one another.

In summary, supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Oversight assumes that the conviction and incarceration of only one person would create a minimal fiscal impact of less than \$100,000 annually.

Officials from the **Office of the State Courts Administrator** assume the proposal allows the city of Columbia to charge a \$10 surcharge on all municipal code violations for the purpose of funding the construction, remodel, repair and maintenance of the municipal court building. Based on data for FY 11, CTS assumes that there are approximately 14,981 municipal code violations on which this \$10.00 surcharge could be applied. CTS anticipates the revenue from the surcharge would be \$148,910 in any given year.

ASSUMPTION (continued)

Oversight assumes this would create a positive fiscal impact on the City of Columbia.

Officials from the **City of Columbia** assume the current proposal would not fiscally impact their city.

Officials from the **Metropolitan St. Louis Sewer District** assume the current proposal would not fiscally impact their district.

Officials from the **Springfield Police Department** assume the current proposal would not fiscally impact their department.

Section 67.2010

Officials from the **Department of Elementary and Secondary Education** state that this may reduce the amount of fine revenue districts in first class counties have been accustomed to receiving. It is impossible to estimate by what amount fire revenues may decrease.

Oversight assumes this is speculative and won't affect local governments without action by the governing body.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
GENERAL REVENUE FUND			
<u>Costs - Department of Corrections</u>			
Conviction and incarceration of unclassified felony	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
CITY OF COLUMBIA			
<u>Revenue</u> - surcharge assessed on municipal code violations	<u>\$124,092</u>	<u>\$148,910</u>	<u>\$148,910</u>
ESTIMATED NET EFFECT ON THE CITY OF COLUMBIA	<u>\$124,092</u>	<u>\$148,910</u>	<u>\$148,910</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

In this proposal, specific sections create crimes that would impose a cost to the state to prosecute.

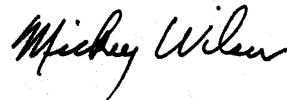
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development
 Division of Business and Community Services
 Missouri Development Finance Board
 Office of the Public Counsel
 Public Service Commission
 Division of Tourism
Department of Revenue
Office of the Secretary of State
Department of Labor and Industrial Relations
State Tax Commission
Department of Public Safety
 Alcohol and Tobacco Control
 Missouri Highway Patrol
 Capitol Police
 Division of Fire Safety
 Missouri Gaming Commission
Department of Elementary and Secondary Education

SOURCES OF INFORMATION (continued)

Department of Transportation
Department of Insurance, Financial Institutions and Professional Registration
Department of Corrections
Office of the State Auditor
Attorney General's Office
Office of the State Courts Administrator
Office of Administration
Joint Committee on Public Retirement
Department of Natural Resources
City of Columbia
Metropolitan St. Louis Sewer District



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Director
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