

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0055-04
Bill No.: Perfected SCS for SB 45
Subject: Courts; Judges; Appropriations
Type: Original
Date: February 19, 2013

Bill Summary: This proposal creates an exception for the 31st judicial circuit from reimbursing the state for salaries of family court commissioners, and allows circuit courts that reimburse the state for salaries of family court commissioners to charge up to a \$20 surcharge for cases.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	\$0 to (\$347,645)	\$0 to (\$421,346)	\$0 to (\$425,559)
Total Estimated Net Effect on General Revenue Fund	\$0 to (\$347,645)	\$0 to (\$421,346)	\$0 to (\$425,559)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Local Government	\$0 to \$969,607	\$0 to \$1,167,701	\$0 to \$1,171,914

FISCAL ANALYSIS

ASSUMPTION

§487.020 - Family Court Commissioners:

In response to a previous version of this proposal, officials from the **Missouri State Employees Retirement System (MOSERS)** stated family court commissioners are covered under the Judicial Plan. MOSERS assumes the proposal keeps the family court commissioners as state employees; therefore, would not fiscally impact their agency.

Officials from **Office of the State Courts Administrator (CTS)** state the proposal would reduce General Revenue receipts by \$347,310 in FY 2014, \$420,940 in FY 2015, and \$425,149 in FY 2016. Currently, these costs are paid by the state and then reimbursed by the county. However, this proposal states “and in the thirty-first judicial circuit may, in substitution of [a] each family court commissioner currently appointed pursuant to this section whose salary is reimbursable, appoint [one] a family court commissioner whose compensation shall be payable by the state without necessity of reimbursement.” This will result in a costs savings to the county for the above amounts and could; therefore, reduce General Revenue receipts because of the loss of reimbursement from the county.

Currently, there are four Family Court Commissioners in the 31st circuit; however, CTS states for one of them already, Greene County does not reimburse the state. Therefore, with passage of this proposal, Greene County would no longer be required to reimburse the state for three commissioners.

Yearly reimbursable salary for a Family Court Commissioner (3 reimbursed Family Court Commissioners in the 31st judicial circuit):

Annual Salary	\$116,858
Fringe Benefits:	
Social Security (6.200%)	\$ 6,826
Medicare (1.45%)	\$ 1,695
Long-Term Disability (0.495%)	\$ 578
Health Insurance (\$656 / month)	\$ 7,872
Retiree Health	\$ 4,709
Basic Life (0.330%)	\$ 386
Sub-Total	\$138,924
	<u> 3</u>
Total	<u>\$416,772</u>

RS:LR:OD

ASSUMPTION (continued)

CTS's estimate (\$347,310 in FY 2014, \$420,940 in FY 2015 and \$425,149 in FY 2016) reflects ten months of impact in FY 2014 (effective date of August 28, 2013) and one percent anticipated growth in costs for the next two years.

§488.426 - Allowance of \$20 surcharge:

Officials from the **Office of the State Courts Administrator (CTS)** state the proposed legislation would allow certain circuits (Clay County, Boone and Callaway Counties, St. Louis County, St. Louis City and Greene County) to charge up to a \$20 law library surcharge. The limit is now \$15.

CTS states during the past five years (2008 to 2012) an average of 149,271 civil cases were filed in these counties. If an additional \$5.00 fee was assessed on every case and collections were 100%, the additional income would total approximately \$746,355 in a given year.

<u>Circuit</u>	<u>Civil Cases</u>	<u>Potential additional \$5 library surcharge revenue</u>
Clay County (7 th)	15,611	\$78,055
Boone and Callaway Counties (13 th)	11,287	\$56,435
St. Louis County (21 st)	69,226	\$346,130
St. Louis City (22 nd)	33,714	\$168,570
Greene County (31 st)	<u>19,433</u>	<u>\$97,165</u>
TOTALS	<u>149,271</u>	<u>\$746,355</u>

Oversight assumes the proposal is permissive to the specific circuit courts and allows them to increase their this fee from \$15 to \$20. Oversight assumes not all circuits would choose to increase their fees; therefore, Oversight will range the fiscal impact from the proposal as "Up to \$746,355". Oversight will reflect these additional revenues as potential income to local political subdivisions. Oversight will reflect ten months of potential impact in FY 2014.

The proposal does not change or expand the requirements of the circuit courts or how this additional revenue must be spent. Therefore, for purposes of the fiscal note, Oversight will only reflect the potential additional income that may be realized by specific circuit courts as a result of the proposal.

Officials from **Greene County** did not respond to our request for fiscal impact.

ASSUMPTION (continued)

Oversight will range the impact of the proposal from \$0 to the estimates calculated by CTS, because the proposal states the circuit may substitute a non-reimbursed commissioner for currently reimbursed commissioners.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE			
<u>Loss</u> - potential for the 31 st Circuit to not reimburse the state for three Family Court Commissioners.	\$0 to <u>(\$347,645)</u>	\$0 to <u>(\$421,346)</u>	\$0 to <u>(\$425,559)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 to <u>(\$347,645)</u>	\$0 to <u>(\$421,346)</u>	\$0 to <u>(\$425,559)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> - potential increase in law library surcharge from \$15 to \$20 in certain circuits.	Up to \$621,962	Up to \$746,355	Up to \$746,355
<u>Savings</u> - Greene County - potential for the 31 st Circuit to not reimburse the state for three Family Court Commissioners.	\$0 to <u>\$347,645</u>	\$0 to <u>\$421,346</u>	\$0 to <u>\$425,559</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	\$0 to <u>\$969,607</u>	\$0 to <u>\$1,167,701</u>	\$0 to <u>\$1,171,914</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§487.020 - Currently, the state must be reimbursed for the salaries of family court commissioners appointed after August 28, 1993. There is an exception for the eleventh judicial circuit which allows one family court commissioner to be compensated by the state without requiring reimbursement. The state-paid commissioner is subject to appropriation. This act creates a similar exception for the thirty-first judicial circuit.


§488.426 - Currently, Jackson County may charge up to a twenty dollar surcharge when a party files a civil court case. All other circuits may charge up to fifteen dollars. This act authorizes circuit courts that reimburse the state for the salaries of family court commissioners to charge up to a twenty dollar surcharge for such cases.

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
Missouri State Employees Retirement System

Not Responding:
Greene County



Ross Strope
Acting Director
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