

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0811-01
Bill No.: SB 183
Subject: Civil Procedure; Property, Real and Personal; Courts; Mortgages and Deeds;
 Credit and Bankruptcy
Type: Original
Date: January 22, 2015

Bill Summary: This proposal repeals provisions regarding nonjudicial foreclosure proceedings and requires all foreclosure proceedings to be handled judicially.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at **St. Louis County** assume this legislation would cause all foreclosures to go by way of the court and not private sale as is now the law. There are many contracts for mortgages that allow for private non-judicial foreclosures. This would increase the case load for the court. It is hard to determine how many more cases the County would get but it would be large. Deciding what the fiscal impact could be is difficult to determine since it is unknown how many more cases the courts would see.

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

Officials at the **Office of the State Courts Administrator** assume the proposed legislation repeals the provisions regarding non-judicial foreclosure proceedings and requires all foreclosure proceedings to be handled judicially. There may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** and the **Office of the State Treasurer** each assume no fiscal impact to their respective agencies from this proposal.

Officials at the **City of Columbia** and the **City of Kansas City** each assume no fiscal impact to their respective entities from this proposal.

Oversight recognizes there could be an increase in the case load for the courts from this proposal. While there may be some impact, Oversight assumes any increase can be absorbed or requested through the state or appropriate local appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

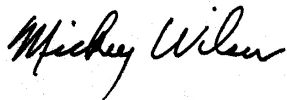
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 the State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration
Office of the State Treasurer
City of Columbia
St. Louis County
City of Kansas City



Mickey Wilson, CPA
Director
January 22, 2015

Ross Strobe
Assistant Director
January 22, 2015