

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4953-05
Bill No.: SCS for SB 572
Subject: Political Subdivisions; Planning and Zoning; Law Enforcement Officers and Agencies; County Government; Courts
Type: Original
Date: January 22, 2016

Bill Summary: This proposal modifies provisions relating to municipal courts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the State Courts Administrator** assume the proposed legislation modifies provisions relating to municipal courts. 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 **Office of the State Auditor** assume the language in this proposal would require their office to update the current rule and forms. The Office believes it could absorb these costs within its current appropriation authority.

In response to a previous version, the **Department of Revenue** and the **State Tax Commission** each assumed no fiscal impact to their respective agencies from this proposal.

Officials at the **Callaway County Commission** assume this proposal will not affect their revenue. However, it could significantly increase the County's administrative costs through increased time and paperwork needed to complete the forms for the State.

Officials at the **City of Kansas City** assume a direct fiscal impact of \$6 million to \$10 million per year. This figure does not include the indirect costs that will be experienced as a result of a restructuring of the criminal justice system in Kansas City, and therefore also Jackson County.

Officials at the **City of Jefferson** assume a cost of this proposal to be around \$40,000. This is primarily because the proposal affects the higher fines due from the more serious code violations of assaulting of police officers, stealing, etc. This would now prohibit jail for such offenses and limit the fine to \$200 as well as defective equipment which is what the Prosecutor amends speeding tickets to in order to avoid points.

Officials at the **City of Independence** assume an additional \$100,000 loss with the proposed changes of this new bill.

Officials at the **City of Dardenne Prairie** assume this proposal could create a fiscal impact but could not quantify it at this time.

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

ASSUMPTION (continued)

In response to similar legislation from 2015 (TAFP CCS for HCS for SS for SCS for SB 5, LR 0455-18), **Oversight** inquired with officials at the Department of Revenue regarding the number of payments that have been redirected from local political subdivisions to schools for traffic fines:

Year	Amount
2011	\$19,205.47
2012	\$107.07
2013	\$0.00
2014	\$5,000.00

Oversight assumes that there are numerous local political subdivisions that could potentially realize more than 20% of their annual general operating revenues due to this legislation adding municipal ordinance violations to the annual general operating revenues calculations. This could result in increased revenues to schools and a loss in revenue to local political subdivisions. Oversight also recognizes there are numerous local political subdivisions that could be affected from limitations placed on fine amounts. Therefore, Oversight assumes a direct fiscal impact to local political subdivisions of \$0 or a negative unknown.

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, Shelby, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Des Peres, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss</u> - Revenue from adding municipal ordinance violations to the annual general operating revenues calculation limits	(Unknown)	(Unknown)	(Unknown)
<u>Loss</u> - Limitations placed on fine amounts	(Unknown)	(Unknown)	(Unknown)
<u>Revenue</u> - School Districts - increase in revenue from excess annual general operating revenues received	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

FISCAL IMPACT - Small Business

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

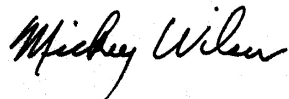
FISCAL DESCRIPTION

This act changes the definition for minor traffic violation to include traffic ordinance violations for which no points are assessed to a driver's driving record and amended charges for any minor traffic violation and adds a definition for municipal ordinance violations. Municipal ordinance violations and amended charges for municipal ordinance violations are added to the calculation limiting the percentage of annual general operating revenue that can come from fines and court costs for minor violations and to provisions regarding fines, imprisonment, and court costs in municipal court cases. Additionally, the maximum allowable fine for minor traffic violations and municipal ordinance violations has been lowered from three hundred dollars to two hundred dollars and no court costs shall be charged to defendants found to be indigent. Municipal courts are also required to not charge defendants for costs associated with community service alternatives. Municipal ordinance violations are also added to municipal disincorporation provisions if a municipality fails to remit excess annual general operating revenue to the Department of Revenue for the county school fund and the disincorporation threshold has been lowered from sixty percent to a majority of participating voters.

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 the State Auditor
State Tax Commission
Department of Revenue
St. Louis County
Callaway County Commission
City of Kansas City
City of Columbia
City of Jefferson
City of Dardenne Prairie
City of Independence



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January 22, 2016

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January 22, 2016