

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6395-01
Bill No.: SB 1043
Subject: Crimes and Punishment; Business and Commerce; Highway Patrol; Law Enforcement Officers and Agencies; Motor Vehicles; Transportation
Type: Original
Date: March 1, 2016

Bill Summary: This proposal creates additional requirements for tow truck businesses and penalties for tow trucks responding to accidents in violation of the provisions of the act.

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	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Transportation, Department of Public Safety - Missouri Highway Patrol, Office of Prosecution Services, Department of Insurance, Financial Institutions and Professional Registration and Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from **St. Louis County, City of Kansas City and Callaway County** each assume the current proposal would not fiscally impact their respective political subdivisions.

Officials from the **State Public Defender's Office (SPD)** state for the purpose of the proposal, and as a result of excessive caseloads, SPD cannot assume existing staff will provide competent, effective representation for any new cases where indigent persons are charged with the proposed new crime of unauthorized towing, a new class D misdemeanor, with escalators for subsequent same offenses. While the number of new cases may be too few or uncertain to request additional funding for this specific proposal, SPD will continue to request sufficient appropriations to provide competent and effective representation in all cases where the right to counsel attaches.

Officials from the **Department of Corrections (DOC)** state this proposal creates three new crimes; one of which would be supervised by the DOC. The D and A Misdemeanors listed in 304.153 would not be supervised by the DOC. However, upon the committing of a third offense, a tow operator could be charged with a D Felony. As the previously held statute does not have any comparable offenses and this is a new crime, it is not possible to pinpoint the exact impact of this particular statute. The average sentence for nonviolent D Felonies is 3.5 years with 1.5 of those years served in prison and 2 on parole or with 3 years served on probation. It is shown that this non-violent D Felony will lead to one new prison sentence and two new probation sentences per year. After four years, this should lead to an increase in the institutional population by 1.5 and the field population by 8.

The FY '15 average cost of supervision is \$6.04 per offender per day or an annual cost of \$2,205 per offender. The DOC cost of incarceration is \$16.809 per day or an annual cost of \$6,135 per offender.

The DOC would assume this legislation will result in long term cost as indicated in the chart below.

ASSUMPTION (continued)

	# to Prison	Cost Per Year	Total Cost Prison	# to Probation and/or Parole	Cost Per Year	Total Cost of Probation and Parole	Grand Total Prison and Probation
Year 1 (10 mos)	1.0	(\$6,135)	(\$6,135)	2.0	(\$2,205)	(\$4,410)	(\$8,788)
Year 2 (2% inflation)	1.5	(\$6,135)	(\$9,203)	4.5	(\$2,205)	(\$9,923)	(\$19,508)
Year 3 (2% inflation)	1.5	(\$6,135)	(\$9,203)	7.5	(\$2,205)	(\$16,538)	(\$26,780)
Year 4 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$28,485)
Year 5 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$29,055)
Year 6 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$29,363)
Year 7 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$30,229)
Year 8 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$30,834)
Year 9 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$31,450)
Year 10 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$32,079)

Oversight assumes the Department of Corrections is provided with core funding to handle a certain amount of activity each year. Oversight assumes the DOC could absorb the costs related to this proposal.

<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
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business towing companies could be impacted by this proposal.

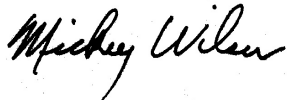
FISCAL DESCRIPTION

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

State Public Defender's Office
Department of Insurance, Financial Institutions and Professional Registration
Office of State Courts Administrator
Department of Transportation
Department of Corrections
Department of Revenue
Office of Prosecution Services
Department of Public Safety
 Missouri Highway Patrol
St. Louis County
City of Kansas City
Callaway County



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March 1, 2016

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