

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0671-02
Bill No.: SB 319
Subject: Civil Penalties; Crimes and Punishment; Property, Real and Personal
Type: Original
Date: February 26, 2019

Bill Summary: This proposal establishes remedies for failing to disclose that a parcel of real property was a site for methamphetamine production.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

For the purpose of this proposed legislation, officials from the **Office of State Public Defender (SPD)** state they cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of failing to disclose that a parcel of real property was a site for methamphetamine production - A New Class A Misdemeanor. The Missouri State Public Defender System is currently providing legal representation in caseloads in excess of recognized standards.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases where the right to counsel attaches.

Oversight notes over the last three fiscal years, the SPD has lapsed a total of \$152 of General Revenue appropriations (\$0 out of \$36.4 million in FY 2016, \$2 out of \$38.0 million in FY 2017, and \$150 out of \$42.5 million in FY 2018). Therefore, Oversight assumes the SPD is at maximum capacity and the increase in workload resulting from this bill cannot be absorbed within SPD's current resources.

Adding one additional Assistant Public Defender I (starting salary of \$47,000) will cost approximately \$74,500 per year in personal service and fringe benefit costs. One additional Assistant Public Defender II (at \$52,100 per year (eligible for consideration after 1 year of successful performance at APD I)) will cost the state approximately \$81,000 per year in personal service and fringe benefit costs. If you include expense and equipment costs such as travel, training, furniture, equipment, and supplies, Oversight assumes the cost for a new APD could approach \$100,000 per year.

Oversight assumes the SPD cannot absorb the additional caseload that may result from this proposal within their existing resources and therefore will reflect a potential additional cost of (Less than \$100,000) to the General Revenue Fund.

Officials at the **Office of the State Courts Administrator**, the **State Tax Commission** and the **Office of Prosecution Services** each assume no fiscal impact to their respective agencies from this proposal.

Oversight notes that the Office of the State Courts Administrator, the State Tax Commission and the Office of Prosecution Services each has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE FUND			
<u>Cost - SPD - (\$442.606) expenses for defending those charged with the new crime of failing to disclose that a parcel of real property was a site for meth production - a new Class A Misdemeanor</u>	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<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

Under current law, a seller or landlord with prior knowledge of production of methamphetamine or other controlled substance on a parcel of real property must disclose this fact in writing to the buyer or tenant. Additionally, the seller or landlord must disclose that the property was the residence, storage site, or laboratory of a person convicted of certain crimes involving production of controlled substances including methamphetamine. This act creates a Class A misdemeanor for any knowing violation of these provisions. Furthermore, any buyer or transferee who suffers any injury as a result of a knowing violation of this act by a seller or transferor may bring a civil action and receive compensatory damages, including damages for any medical expenses incurred as a result of exposure to methamphetamine.

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

L.R. No. 0671-02
Bill No. SB 319
Page 5 of 5
February 26, 2019

SOURCES OF INFORMATION

Office of the State Public Defender
Office of the State Courts Administrator
State Tax Commission
Office of Prosecution Services



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February 26, 2019

Ross Strobe
Assistant Director
February 26, 2019