COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.:   1790-01
Bill No.:   SB 392
Subject: Cities, Towns and Villages; Courts
Type: Original
Date: March 2, 2019

Bill Summary: This proposal authorizes municipal courts to operate a case management system.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
General Revenue	($2,946,928)	($2,946,928)	($2,946,928)	($393,120)
Total Estimated Net Effect on General Revenue	**($2,946,928)**	**($2,946,928)**	**($2,946,928)**	**($393,120)**

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
Total Estimated Net Effect on Other State Funds	**$0**	**$0**	**$0**	**$0**

Numbers within parentheses: ( ) indicate costs or losses. This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2020	FY 2021	FY 2022	Fully Implemented (FY 2026)
General Revenue	16 FTE	16 FTE	16 FTE	5 FTE
Total Estimated Net Effect on FTE	**16 FTE**	**16 FTE**	**16 FTE**	**5 FTE**

☒ 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	Fully Implemented (FY 2026)
Local Government	**Unknown to (Unknown)**	**Unknown to (Unknown)**	**Unknown to (Unknown)**	**Unknown to (Unknown)**

<u>FISCAL ANALYSIS</u>

<u>ASSUMPTION</u>

Officials at the **Office of the State Courts Administrator (OSCA)** assume the proposed legislation authorizes municipal courts to operate a case management system.

The Missouri case management system (CMS) is a collection of over 30 different applications (e.g. JIS, Show-me Courts, Case.net, eFiling, Track This Case, Pay By Web, Plead & Pay, Electronic Record of Conviction, PA Transfer, Criminal History, eBench, File Viewer, security systems, etc.) and includes over 60 databases, with hundreds of database files. The scope to develop a "two-way interface to support integrated functions with other court case management systems" would require the development of many (i.e. over 300) Application Protocol Interfaces (API) and the establishment of various applications to monitor, synchronize data, system security procedures, bi-direction data transfer and normalize information from disparate systems, etc.

To develop such, an integrated system would be required on both the sending and receiving systems. All APIs would need to be compatible from a technology perspective and be developed, tested, implemented in a manner that facilitates CMS features (e.g. add docket entry, add party, eFile document, make payment, etc.) Each API would be need to be documented, developed, tested, implemented, monitored, modified as additional system features become available or deprecated and modified as technology requires. This process would take several years to initially develop, deploy and would require on-going support.

For purposes of estimating this effort several assumptions were made:
*   Current automation projects would continue as planned;
*   Additional resources would be made available to accomplish and provide on-going support;
*   Effort to develop APIs and applications based on the current state systems;
ⱱ   Average hourly rate for technical contractors ($90.00) Estimate 7 contractors for the development duration of (7 years); and
*   Hardware costs estimated at $500,000 with a 4 year rotation cycle

ASSUMPTION (continued)

Task Description	Level of effort (hours)*	Quantity (API)	Total Hours
API Analysis & Design	240	300	72,000
API Development	353	300	105,900
System Testing	50	300	15,000
Documentation development	50	300	15,000
Implementation	60	50**	3,000
API Certification testing	300	10***	3,000
Total Level of Effort			213,900

* An average level of effort in hours for tasks that could range from simple, moderate and complex level of effort.

** The estimated number of municipal divisions implementing a system other than the statewide court automation.

*** The estimated number of possible different external systems.

The estimated duration to develop all of the required systems is approximately 7 years.

To develop and maintain such a system would require dedicated staff. In order to continue current automation priorities the following additional FTE would be require to accomplish this effort:

	Salary	FTE	Fringes	Total
Customer Support Tech	$ 42,780	1	$ 25,582	$ 68,362
Application Support Tech	$ 44,352	1	$ 26,522	$ 70,874
Court Services Mgmt Analyst II	$ 51,036	3	$ 30,520	$ 244,668
Programmer	$ 60,084	4	$ 35,930	$ 384,056
Software Engineer	$ 60,084	1	$ 35,930	$ 96,014
Projects Prin Mgmt Analyst I	$ 60,084	1	$ 35,930	$ 96,014
System Administrator	$ 68,062	1	$ 40,701	$ 108,763
Database Administrator	$ 68,062	1	$ 40,701	$ 108,763
Sr. Business Analyst	$ 71,004	2	$ 42,460	$ 226,928
Programmer Supv	$ 82,656	1	$ 49,428	$ 132,084
Total amount required		16		$ 1,536,526

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ASSUMPTION (continued)

Description	Amount	
Development effort contractors per year Total for 7 years ($9,178,800)	$	1,310,400
Hardware	$	100,000
FTE annual cost	$	1,536,528
Annual subtotal amount for 7 years	$	2,946,928
On-going system maintenance 30% of original development (after development is complete)	$	393,120
Total annual cost	$	3,340,048

Note: The estimated cost does not include any funding for municipal divisions to develop, test and implement systems to integrate with the statewide case management system

It is very unlikely such a CMS integration system would ever be completely successful due to the nature of incompatible information requirements, on-going system modifications, on-going technology versions, information integration issues, on-gong modifications to statutes, on-going modifications to Court Rules and multiple organizational priorities. As the number of integrated systems increase, the technical coordination between all parties could become unmanageable. This would result in either all CMS systems being constrained by the features available to the least common denominator or if the CMS systems become out of sync, the court case records could be in jeopardy.

Oversight has no information to the contrary and therefore, will reflect the costs as estimated by OSCA. Oversight assumes the integrated system would be fully implemented in FY2026. Annual costs for fiscal years 2020 through 2025 could be $2,946,928 with full implementation in FY 2026 and an on-going system maintenance cost of $393,120 with 16 FTE each year until FY 2026 and subsequent years when it is estimated that 5 FTE will be needed for maintenance based upon OSCA's assumption of 30% estimate above.

ASSUMPTION (continued)

Officials at the **City of Columbia** assume this proposal will result in a cost savings for the municipal court. Show Me Courts is a system that has been mandated for all municipal courts, but it will not easily accommodate records from the City's system into Show Me Courts. The City believes the current system can be maintained with support from a two-way interface.

Officials at the **City of Excelsior Springs** assume a cost savings by using the statewide system called Show Me Courts from this proposal. The City will no longer have incode and maintenance fees associated with the change.

Officials at the **City of Sugar Creek** assume a positive unknown from this proposal. The City will be able to keep InCode software that is currently being utilized. It is especially important for Independence and Jackson County Sheriff's Office cause the new software management is capable with their e-ticket systems compared to Show Me Courts.

Officials at the **City of Clarence** assume a positive unknown from this proposal. The City recently installed a court management system. The City spent $4,700 to purchase and implement the system for the small court.

Oversight has reached out to St. Louis County and the City of St. Louis regarding this proposal. Upon the receipt of these responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight assumes existing cities who have case management systems in place will benefit from this proposal and will work with OSCA in the development and implementation of the integrated system. Oversight is unclear on the number of different case management systems that are currently in place with the municipal courts throughout the state and how many would still need to be implemented. Therefore, Oversight will reflect a positive to negative unknown savings/cost to local political subdivisions affecting municipal courts.

Officials at the **Joint Committee on Administrative Rules** assume no fiscal impact.

Oversight notes that the Joint Committee on Administrative Rules 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.

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

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ASSUMPTION (continued)

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

FISCAL IMPACT - State Government	FY 2020 (10 Mo.)	FY 2021	FY 2022	Fully Implemented (FY 2026)
GENERAL REVENUE FUND				
Cost - OSCA - to integrate case management system with municipal courts				
Personal Service and Fringes	($1,536,526)	($1,536,526)	($1,536,526)	($393,120)
Hardware	($100,000)	($100,000)	($100,000)	$0
Contractors	($1,310,400)	($1,310,400)	($1,310,400)	$0
Total Cost - OSCA	($2,946,928)	($2,946,928)	($2,946,928)	($393,120)
FTE Change - OSCA	16 FTE	16 FTE	16 FTE	5 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	**($2,946,928)**	**($2,946,928)**	**($2,946,928)**	**($393,120)**
Estimated Net FTE Change for General Revenue Fund	16 FTE	16 FTE	16 FTE	5 FTE

FISCAL IMPACT - Local Government

	FY 2020 (10 Mo.)	FY 2021	FY 2022	Fully Implemented (FY 2026)
LOCAL POLITICAL SUBDIVISIONS				
Savings - municipal divisions that have case management system	$0 to Unknown	$0 to Unknown	$0 to Unknown	$0 to Unknown
Cost - municipal divisions that need to implement case management system	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)	$0 to (Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	**Unknown to (Unknown)**	**Unknown to (Unknown)**	**Unknown to (Unknown)**	**Unknown to (Unknown)**

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act allows for municipal courts to select and operate a case management system. The Supreme Court of Missouri shall allow a two-way interface that supports integrated functions between the municipal court case management system and the Missouri state courts case management system. The Supreme Court shall develop rules regarding the interface.

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

NM:LR:OD

SOURCES OF INFORMATION

Office of the State Courts Administrator
City of Columbia
City of Excelsior Springs
City of Sugar Creek
City of Clarence
Joint Committee on Administrative Rules
City of Kansas City
City of Keytesville

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March 2, 2019

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March 2, 2019

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