

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4283S.01I
 Bill No.: SB 730
 Subject: Law Enforcement Officers and Agencies; Treasurer, State; General Assembly;
 Department of Public Safety; Cities, Towns, and Villages
 Type: Original
 Date: January 11, 2024

Bill Summary: This proposal creates the "Community Crime Reduction Grant Program".

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	\$0 or (Unknown, greater than \$79,793)	\$0 or (Unknown, greater than \$92,761)	\$0 or (Unknown, greater than \$94,316)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown, greater than \$79,793)	\$0 or (Unknown, greater than \$92,761)	\$0 or (Unknown, greater than \$94,316)

* Oversight assumes costs will likely exceed \$1 million annually but notes the grant program is subject to appropriations. The cost above reflects the anticipated need for an FTE by the Department of Public Safety if the program is funded.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Community Crime Reduction Program*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

* Transfer-in, gifts, bequests, etc. and grants are assumed to net to \$0.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
Total Estimated Net Effect on FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government*	\$0	\$0	\$0

* Oversight notes if police departments receive grants to help cover the costs of new law enforcement officers, the grants only cover 50% of personnel costs.

FISCAL ANALYSIS

ASSUMPTION

§589.805 - Community Crime Reduction Grant Program

Officials from the **Department of Public Safety (DPS) – Director’s Office (DO)** state one (1) FTE is needed for the administration and management of the grant. This proposal will require a Grants officer at \$54,008 annually and corresponding fringe benefits and equipment and expense costs. General Revenue costs are estimated to be \$79,793 for FY 25; \$92,761 for FY 26; and \$94,316 for FY 27.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this FTE as provided by the DPS to the General Revenue Fund.

Oversight notes this grant program is to provide monies to municipal police departments to pay up to 50% of the cost of employing new law enforcement officers needed to raise the department’s officer to population ratio to 2 officers per 1,000 people and to pay up to 100% of the cost to attend at least one seminar relating to fair and impartial policing and one seminar relating to racial sensitivity at the University of Missouri Law Enforcement Training Institute. The grant program is to be funded by gifts, bequests, transfers and monies appropriated by the General Assembly.

Oversight has no idea of the number of law enforcement agencies that may utilize this grant program. However, similar reimbursement programs relating to hiring new law enforcement officers and/or reimbursing training costs result in expenditures of approximately \$1 million annually. Therefore, for fiscal note purposes, Oversight assumes the potential costs of this grant program will likely exceed \$1 million dollars, but will present a \$0 or Unknown cost to the General Revenue Fund for appropriations transferred to the new Community Crime Reduction Program Fund for grants. Oversight further assumes appropriations/gifts/transfers and bequests and grants/costs incurred by the program will net to \$0 in the new fund.

Officials from the **Office of the State Treasurer**, the **University of Missouri System**, the **Kansas City Police Department** and the **St. Louis County Police Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other police departments were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Transfer-out</u> – Appropriation to Community Crime Reduction Program Fund (§589.805) p. 3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs</u> – DPS (§589.805) p. 3	\$0 or...	\$0 or...	\$0 or...
Personal service	(\$45,006)	(\$55,088)	(\$56,190)
Fringe benefits	(\$29,960)	(\$36,371)	(\$36,798)
Equipment and expense	(\$4,826)	(\$1,302)	(\$1,328)
<u>Total Costs - DPS</u>	<u>(\$79,793)</u>	<u>(\$92,761)</u>	<u>(\$94,316)</u>
FTE Change - DPS	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>\$0 or (Unknown, greater than \$79,793)</u>	<u>\$0 or (Unknown, greater than \$92,761)</u>	<u>\$0 or (Unknown, greater than \$94,316)</u>
Estimated Net FTE Effect on the General Revenue Fund	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
COMMUNITY CRIME REDUCTION PROGRAM FUND			
<u>Transfer-in</u> – from General Revenue Fund – appropriation for grant program (§589.805) p. 3	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> – DPS – grants to local law enforcement agencies (§589.805) p. 3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON THE COMMUNITY CRIME REDUCTION PROGRAM FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
LOCAL GOVERNMENTS – POLICE DEPARTMENTS			
<u>Income</u> – Grant funds from Community Crime Reduction Program (§589.805) p. 3	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> – Increase in personal service and/or training costs (§589.805) p. 3	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

* Oversight notes if police departments receive grants to help cover the costs of new law enforcement officers, the grants only cover 50% of the personnel costs.

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act establishes a pilot program known as the "Community Crime Reduction Grant Program" which shall provide money to municipal police departments that apply to the Department of Public Safety for a grant.

The grants provided under this act shall be subject to appropriation by the General Assembly. Grants received from the program shall be used as payment for the following:

- Up to 50% of the cost of employing new law enforcement officers needed to raise the department's officer to population ratio to two officers per one thousand people; and
- Up to 100% of the cost for law enforcement officers hired with grant money by the municipal police department to attend not less than one seminar relating to fair and impartial policing and one seminar relating to racial sensitivity at the University of Missouri Law Enforcement Training Institute.

Municipal police departments that receive a grant shall submit an annual report with information as provided in the act to the Department of Public Safety on or before December 31st of each year in which the department received the grant money.

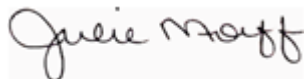
This act also creates the "Community Crime Reduction Program Fund" which shall consist of all gifts, bequests, transfers, and money appropriated by the General Assembly for the program. Money from the Fund shall be used solely by the Department of Public Safety to issue grants to qualifying municipal police departments through the program.

The Department of Public Safety shall administer the grants issued under the program and promulgate all rules and regulations for the administration of the program.

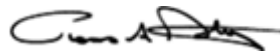
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety – Director’s Office
Office of the Secretary of State
Office of the State Treasurer
University of Missouri System
Kansas City Police Department
St. Louis County Police Department
Joint Committee on Administrative Rules



Julie Morff
Director
January 11, 2024



Ross Strobe
Assistant Director
January 11, 2024