

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4946S.01I  
Bill No.: SB 1372  
Subject: Immigration; Crimes and Punishment; Education, Higher; Appropriations  
Type: Original  
Date: March 8, 2024

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Bill Summary: This proposal creates new provisions relating to illegal immigrants.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
General Revenue	(\$65,574)	(\$77,266)	(\$77,661)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$65,574)</b>	<b>(\$77,266)</b>	<b>(\$77,661)</b>

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

Numbers within parentheses: () indicate costs or losses.

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

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

## FISCAL ANALYSIS

### ASSUMPTION

§§173.1110, 208.009, and 577.690 - Relating to illegal immigrants

Officials from the **Department of Elementary and Secondary Education (DESE)** state that under §173.1110 English acquisition services provided by Adult Education (AEL) at postsecondary institutions are federally-funded by the Workforce Innovation and Opportunity Act (WIOA) and citizenship is not required for eligibility (34 CFR 463). If this legislation applies to AEL services, it conflicts with federal eligibility rules and will impact approximately 5,000 adult students annually. Currently, programs do not have to document and verify citizenship; providers will need additional staff funding to complete these tasks. DESE contracts with these providers and prepared the estimate below for the potential increase required to these contractual services.

\$57,500 annually (approximately 5,000 students, additional 30 minutes each for citizenship verification, \$23/hour average staff pay:  $[5,000 \times .5] \times 23 = \$57,500$ ).

**Oversight** has no information to the contrary. Therefore, Oversight will present the fiscal impact to General Revenue for this proposal as provided by DESE.

Officials from the **Department of Corrections (DOC)** state this proposal creates new provisions relating to illegal immigrants. Section 577.690 creates the offense of improper entry by an alien. The associated penalty is a \$10,000 fine for the first offense, and a class E felony for any subsequent offenses.

As these are new crimes, there is little direct data on which to base an estimate, and as such, the DOC estimates an impact comparable to the creation of a new class E felony.

For each new nonviolent class E felony, the DOC estimates one person could be sentenced to prison and two to probation. The average sentence for a nonviolent class E felony offense is 3.4 years, of which 2.1 years will be served in prison with 1.4 years to first release. The remaining 1.3 years will be on parole. Probation sentences will be 3 years.

The cumulative impact on the department is estimated to be 2 additional offenders in prison and 7 additional offenders on field supervision by FY 2027.

	# to prison	Cost per year	Total Costs for <b>prison</b>	Change in probation & parole officers	Total cost for <b>probation and parole</b>	# to probatio n & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	1	(\$9,689)	(\$8,074)	0	\$0	2	(\$8,074)
Year 2	2	(\$9,689)	(\$19,766)	0	\$0	4	(\$19,766)
Year 3	2	(\$9,689)	(\$20,161)	0	\$0	7	(\$20,161)
Year 4	2	(\$9,689)	(\$20,564)	0	\$0	7	(\$20,564)
Year 5	2	(\$9,689)	(\$20,975)	0	\$0	7	(\$20,975)
Year 6	2	(\$9,689)	(\$21,395)	0	\$0	7	(\$21,395)
Year 7	2	(\$9,689)	(\$21,823)	0	\$0	7	(\$21,823)
Year 8	2	(\$9,689)	(\$22,259)	0	\$0	7	(\$22,259)
Year 9	2	(\$9,689)	(\$22,704)	0	\$0	7	(\$22,704)
Year 10	2	(\$9,689)	(\$23,159)	0	\$0	7	(\$23,159)

\* If this impact statement has changed from statements submitted in previous years, it could be due to an increase/decrease in the number of offenders, a change in the cost per day for institutional offenders, and/or an increase in staff salaries.

If the projected impact of legislation is less than 1,500 offenders added to or subtracted from the department's institutional caseload, the marginal cost of incarceration will be utilized. This cost of incarceration is \$26.545 per day or an annual cost of \$9,689 per offender and includes such costs as medical, food, and operational E&E. However, if the projected impact of legislation is 1,500 or more offenders added or removed to the department's institutional caseload, the full cost of incarceration will be used, which includes fixed costs. This cost is \$99.90 per day or an annual cost of \$36,464 per offender and includes personal services, all institutional E&E, medical and mental health, fringe, and miscellaneous expenses. None of these costs include construction to increase institutional capacity.

DOC's cost of probation or parole is determined by the number of P&P Officer II positions that are needed to cover its caseload. The DOC average district caseload across the state is 51 offender cases per officer. An increase/decrease of 51 cases would result in a cost/cost avoidance equal to the salary, fringe, and equipment and expenses of one P&P Officer II. Increases/decreases smaller than 51 offender cases are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

**Oversight** has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by the DOC.

Officials from the **University of Central Missouri (UCM)** assume an indeterminate fiscal impact. Possible fiscal impact from changed reporting requirements.

**Oversight** has no information to the contrary. However, Oversight assumes any impact UCM would have would be minimal and absorbable within current funding levels. Oversight will present no fiscal impact for this organization.

Officials from the **Missouri Office of Prosecution Services (MOPS)** assume the proposal will have no measurable fiscal impact on MOPS. The enactment of a new crime [577.690] creates additional responsibilities for county prosecutors and the circuit attorney which may, in turn, result in additional costs, which are difficult to determine.

Officials from the **Department of Higher Education and Workforce Development**, the **Department of Natural Resources**, the **Department of Public Safety - Missouri Highway Patrol**, the **Missouri Department of Conservation**, the **Office of the State Public Defender**, the **University of Missouri System**, the **Phelps County Sheriff's Department**, the **Branson Police Department**, the **Kansas City Police Department**, the **St. Louis County Police Department**, **Northwest Missouri State University**, the **Missouri House of Representatives** and the **Missouri Senate** 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.

**Oversight** notes the provisions of §577.690.2 provides that the offense of improper entry by an alien is punishable by a fine of ten thousand dollars for the first offense; subsequent offenses are a class E felony. In addition to the fine, there would be individual county/municipal fees and court costs. Oversight also notes per Article IX Section 7 of the Missouri Constitution fines and penalties collected by counties are distributed to school districts. Fine varies widely from year to year and are distributed to the school district where the violation occurred. Oversight will reflect a positive Unknown fiscal impact to local school districts for fines and penalties collected. Any impact to various state and local funds from court fees is assumed to be minimal and will not be presented for fiscal note purposes. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula.

Below are examples of some of the state and local funds which court costs are distributed:

<b>Fee/Fund Name</b>	<b>Fee Amount</b>
Basic Civil Legal Services Fund	\$8.00
Clerk Fee	\$15.00 (\$12 State/\$3 County)
County Fee	\$25.00
State Court Automation Fund	\$7.00
Crime Victims' Compensation Fund	\$7.50
DNA Profiling Analysis Fund	\$15.00
Peace Officer Standards and Training (POST) Fund	\$1.00
Motorcycle Safety Trust Fund	\$1.00
Brain Injury Fund	\$2.00
Independent Living Center Fund	\$1.00
Sheriff's Fee	\$10.00 (County)
Prosecuting Attorney and Circuit Attorney Training Fund	\$4.00
Prosecuting Attorney Training Fund	\$1.00 (\$0.50 State/\$0.50 County)
Spinal Cord Injury Fund	\$2.00

Officials from the **Attorney General's Office** and the **Office of the State Courts Administrator** did not respond to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>GENERAL REVENUE FUND</b>			
<u>Costs</u> – DESE (§173.1110) – increase in contract costs p.3	(\$57,500)	(\$57,500)	(\$57,500)
<u>Costs</u> – DOC (§577.690) – increase in incarceration costs p.3-4	(\$8,074)	(\$19,766)	(\$20,161)
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$65,574)</u></b>	<b><u>(\$77,266)</u></b>	<b><u>(\$77,661)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>LOCAL SCHOOL DISTRICTS</b>			
<u>Revenue – Schools - (§577.690.2)</u> Fine revenue p.5	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON LOCAL SCHOOL DISTRICTS</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

Current law prohibits any covered student, as that term is defined in the act, who is unlawfully present in the United States from receiving a postsecondary education public benefit. This act modifies that provision by prohibiting any covered student who is unlawfully present in the United States from enrolling in any post-secondary educational institution, as that term is defined in the act. Legal status of students shall be verified by the post-secondary educational institution prior to enrollment. (§173.1110)

Current law prohibits any alien unlawfully present in the United States from receiving any state or local public benefit. This act additionally prohibits any appropriation made by the General Assembly to any entity, whether public or private, for the purpose of providing services to aliens unlawfully present in the United States. (§208.009)

The act creates the offense of improper entry by an alien. A person commits the offense of improper entry by an alien if the person enters this state at a time when they are unlawfully present in this country under federal law.

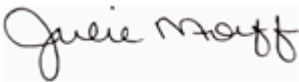
The offense of improper entry by an alien is punishable by a fine of \$10,000 and shall be subject to an order of removal to a federal port of entry, as provided in the act. For all subsequent offenses, the offense is a class E felony, subject to a term of imprisonment of 1-7 years and a \$10,000 fine and additionally shall be subject to an order of removal to a federal port of entry upon the completion of any prison term.

The act allows any law enforcement officer whose duty it is to enforce criminal laws to arrest or detain such person upon probable cause that a person who has violated this act. (§577.690)

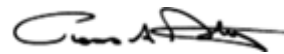
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Department of Higher Education and Workforce Development  
Department of Natural Resources  
Department of Corrections  
Department of Public Safety - Missouri Highway Patrol  
Missouri Department of Conservation  
Office of the State Public Defender  
University of Missouri System  
Phelps County Sheriff's Department  
Branson Police Department  
Kansas City Police Department  
St. Louis County Police Department  
Northwest Missouri State University  
University of Central Missouri  
Missouri House of Representatives  
Missouri Senate  
Missouri Office of Prosecution Services



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