

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0618S.02P  
 Bill No.: Perfected SS for SB 50  
 Subject: Prisons and Jails; Counties; County Officials; County Government; Political Subdivisions; Taxation and Revenue - Sales and Use  
 Type: Original  
 Date: February 6, 2025

Bill Summary: This proposal modifies provisions relating to jails.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2029)
General Revenue*	\$0 to (Unknown)	Unknown, could exceed \$11,333 to (Unknown)	Unknown, could exceed \$15,111 to (Unknown)	Unknown, could exceed \$30,222 to (Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 to (Unknown)</b>	<b>Unknown, could exceed \$11,333 to (Unknown)</b>	<b>Unknown, could exceed \$15,111 to (Unknown)</b>	<b>Unknown, could exceed \$30,222 to (Unknown)</b>

\*Oversight assumes the loss of revenue from court costs would be less than \$250,000 annually.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2029)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>Fully Implemented (FY 2029)</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>Fully Implemented (FY 2029)</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>Fully Implemented (FY 2029)</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0 or Unknown, could exceed \$1,133,306</b>	<b>\$0 or Unknown, could exceed \$1,511,075</b>	<b>\$0 or Unknown, could exceed \$3,022,150</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

#### §§217.451 & 221.108 – Telephones in Correctional Facilities

In response to a previous version, officials from the **Office of Administration - Budget and Planning (B&P)** deferred to the DOC for the potential fiscal impact of this proposal.

In response to a previous version, officials from the **Department of Corrections (DOC)** assumed the proposal will have no fiscal impact on their organization. The current phone service contract charges offenders \$0.05 per minute. The Federal Communication Commission capped phone call rates at \$0.06 per minute effective January 1, 2025, under regulation §64.6010. The requirement to promulgate rules could delay receipt in claims to county submissions while the rule promulgation is underway.

Officials from the **Department of Revenue (DOR)** state these sections are not relevant to DOR and therefore have no impact.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

#### §§221.400, 221.402, 221.405, 221.407, 221.410 & 550.320 – Regional Jail Districts

Officials from the **Department of Revenue (DOR)** note that the Daviess/DeKalb Regional Jail District is the only one formed under §221.400. It currently assesses a 1/2% sales tax. For FY 24, they collected \$1,511,075. DOR is unaware if any of the surrounding counties are wishing to join this district. DOR assumes that once a new county would pass the sales tax and adopt the required ordinance, they would notify DOR and DOR would get the new county set up. This would require DOR to update its distribution program estimated to cost \$1,832 at the time that DOR is notified.

**Oversight** assumes this proposal changes the sales tax percentage to up to 1%. Since the current Daviess/DeKalb Regional Jail District collects ½% in sales tax revenue, it is possible that the county commission could add the question to increase the sales tax rate to the April 2026 ballot. Oversight is also unaware of any surrounding counties who may want to join the current district. However, should a surrounding county get voter approval and approve an ordinance to join the district, additional revenues could be generated for the Regional Jail District. Oversight notes

that not only is there an emergency clause for this proposal, but the current expiration date of September 30, 2028 is being removed from this proposal. Oversight assumes should the proposal pass, the current collection of sales tax for the Regional Jail District will continue into FY29 and beyond. Oversight also assumes if an additional sales tax is passed by the voters, the 1<sup>st</sup> day it would be effective September of 2026, assuming it is on the ballot April 2026, and the collection of sales tax would be in October of 2026. Therefore, Oversight will reflect a \$0 (no additional increase to sales tax approved by voters) or estimated revenues received (if approved by the voters) by the Regional Jail District to be unknown that could exceed the current DOR amount, as well as, a 1% administration fee collected by DOR.

**Oversight** assumes this proposal repeals the sunset provision. Therefore, Oversight will show the continued cost of the existing the sales tax beginning in FY 2029.

**DOR** states §221.402 adds clarifying language that the jail district may use their sales tax to “equip” and “maintain” their jail facilities and will have no fiscal impact to the proposal. DOR also states §221.407 adds clean-up (simplifying) language that the sales tax allowed for a jail district could either be 1/8<sup>th</sup>, 1/4<sup>th</sup>, 3/8<sup>th</sup> or 1/2 of one percent. This proposal would add language saying the tax can be “up to 1%” and would have no fiscal impact to the proposal. DOR also states §550.320 is not relevant to DOR and therefore would have no impact.

This proposal has an emergency clause that would allow counties wanting to join an existing jail district to place before the voters the question to accept the jail tax as early as the November 2025 general election.

In response to a previous version, officials from the **Office of Administration - Budget and Planning (B&P)** deferred to the counties within the Regional Jail Districts for the fiscal impact. DOR’s retained collection fee will increase total state revenues (TSR) because DOR will be able to collect its 1% administration fee for handling the collection of the sales taxes.

**B&P** states §550.320 makes administrative changes to county reimbursement language and moves the provisions from §221.105 to Chapter 550. §221.105 is repealed from Chapter 221.

#### Responses regarding the proposed legislation as a whole

In response to a previous version, officials from the **Office of State Courts Administrator (OSCA)** stated there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

**Oversight** notes OSCA assumes this proposal may have some impact on their organization although it can’t be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 to (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will

review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** noted 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.

Officials from the **Department of Public Safety (Office of the Director & Missouri Highway Patrol)** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version, officials from the **Jackson County Election Board**, the **Platte County Board of Elections**, the **St. Louis City Board of Elections**, the **St. Louis County Board of Elections**, the **Phelps County Sheriff's Office**, the **Kansas City Police Department** and the **St. Louis County Police Office** each assumed 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** only reflects the responses received from state agencies and political subdivisions; however, other cities, counties, county circuit clerks and local law enforcement agencies 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.

#### Senate Amendment #1 – §§221.520 & 221.523 – Protection for Pregnant Offenders

Officials from the **City of Kansas City** state the proposed legislation has a potential negative fiscal impact because Section 221.520 et seq may increase the costs of incarceration.

Officials from the **Branson Police Department** state this bill contains changes to county jails reference pregnant inmates and pre-natal treatment, which will add cost to the counties. My agency houses all inmates in their county jail and I would expect this cost to be passed on to us. I cannot estimate the total impact to my agency as I cannot predict how many pregnant offenders they will arrest in the future, nor can I know the total costs to provide the mandated pre-natal care.

**Oversight** assumes any costs incurred by the City of Kansas City and the Branson Police Department related to this proposal can be absorbed within current resource levels.

In response to similar legislation from 2025 (HB 1090), officials from the **Department of Corrections**, the **Department of Mental Health**, the **Phelps County Sheriff’s Department**, the **Kansas City Police Department**, and the **St. Louis County Police Department** each assumed 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.

<u>FISCAL IMPACT</u> – State Government	FY 2026	FY 2027 (9 Mo.)	FY 2028	Fully Implemented (FY 2029)
<b>GENERAL REVENUE</b>				
<u>Revenue</u> – DOR – 1% administration fee on sales tax collection §§221.400, 221.402, 221.405, 221.407, 221.410 & 550.320	\$0	\$0 or Unknown, could exceed \$11,333	\$0 or Unknown, could exceed \$15,111	\$0 or Unknown, could exceed \$30,222
<u>Loss</u> – OSCA – potential loss of revenue by the courts §221.407	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	\$0 to (Unknown)	<u>Unknown,</u> <u>could exceed</u> <u>\$11,333 to</u> <u>(Unknown)</u>	<u>Unknown,</u> <u>could exceed</u> <u>\$15,111 to</u> <u>(Unknown)</u>	<u>Unknown,</u> <u>could exceed</u> <u>\$30,222 to</u> <u>(Unknown)</u>

<u>FISCAL IMPACT</u> – Local Government	FY 2026	FY 2027 (9 Mo.)	FY 2028	Fully Implemented (FY 2029)
<b>REGIONAL JAIL DISTRICT(S)</b>				
<u>Revenue</u> – additional sales taxes received if approved by voters §§221.400, 221.402, 221.405, 221.407, 221.410 & 550.320	\$0	<u>\$0 or Unknown, could exceed \$1,133,306</u>	<u>\$0 or Unknown, could exceed \$1,511,075</u>	<u>\$0 or Unknown, could exceed \$3,022,150</u>
<b>ESTIMATED NET EFFECT ON REGIONAL JAIL DISTRICTS</b>	<b><u>\$0</u></b>	<b><u>\$0 or Unknown, could exceed \$1,133,306</u></b>	<b><u>\$0 or Unknown, could exceed \$1,511,075</u></b>	<b><u>\$0 or Unknown, could exceed \$3,022,150</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This act modifies provisions relating to jails.

INMATE PHONE CALL FEES (Sections 217.451 & 221.108)

This act provides that correctional centers shall provide offenders with reasonable access to phone services, unless such access is restricted as a disciplinary measure.

Additionally, no correctional center shall charge more than 12 cents per minute for a domestic phone call of an inmate.

REGIONAL JAIL DISTRICTS (Section 221.400, 221.402, 221.405, 221.407, & 221.410)

Under current law, any two or more contiguous counties may establish a regional jail district.

This act provides that if an existing regional jail district already levies a sales tax and another county joins the district, such joining with the district will not be effective until the voters of the county have approved the sales tax. If the voters do not approve the sales tax, the county attempting to join the district shall not be permitted to join.

This act also adds that a district may equip and maintain jail facilities, as well as lease its properties. The regional jail commission shall have the power to acquire, construct, repair, alter, improve, and extend a regional jail and it may contract with governmental or private entities. Commissioners shall also serve until their successors have assumed office.

Under current law, any regional jail district may impose a one-eighth, one-fourth, three-eighths, or one-half of one percent sales tax. This act changes the amount to up to one percent. This act also repeals the provision that such sales tax may be used for court facilities in the regional jail district.

This act also provides that expenditures paid for by the regional jail district sales tax trust fund may be made for any of the district's authorized purposes.

These provisions repeals the sunset provision.

These provisions contain an emergency clause.

#### REIMBURSEMENTS TO JAILS (Section 550.320 & 221.105)

This act provides that whenever a person is sentenced to a term of imprisonment in a correctional center, the Department of Corrections shall reimburse the county or St. Louis City for the days the person spent in custody at a per diem cost not to exceed \$37.50 a day.

The sheriff of the county or St. Louis City shall certify to the clerk of the county or to the chief executive officer of St. Louis City the total number of days any offender spent in the county or city jail. The county clerk or the chief executive officer shall then submit the total number of days to the Department no later than two years from the date the claim became eligible for reimbursement. The Department shall determine if the expenses are eligible for reimbursement and shall remit any payment to the county or to St. Louis City.

Finally, this act repeals provisions relating to the current process for counties and St. Louis City to request reimbursement for the number of days an offender spent in a county or city jail.

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

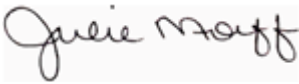
#### SOURCES OF INFORMATION

Department of Revenue  
Office of Administration  
    Budget and Planning  
Department of Corrections  
Department of Mental Health  
Office of the State Courts Administrator



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Office of the Secretary of State  
Department of Public Safety  
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Missouri Highway Patrol  
Kansas City  
Jackson County Election Board  
Platte County Board of Elections  
St. Louis City Board of Elections  
St. Louis County Board of Elections  
Phelps County Sheriff's Office  
Kansas City Police Department  
St. Louis County Police Office



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February 6, 2025



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