

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5440S.14P
 Bill No.: Perfected SS No. 3 for SB 888
 Subject: Children and Minors; Courts; Courts, Juvenile; Crimes and Punishment; Criminal Procedure; Law Enforcement Officers and Agencies
 Type: Original
 Date: March 5, 2026

Bill Summary: This proposal modifies provisions relating to the criminal justice systems.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2035)
General Revenue*	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000))
Total Estimated Net Effect on General Revenue	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000))

*DOC notes that current capacity will be met by July 2029 (FY 2030) or potentially much sooner. Therefore, Oversight has made the decision to reflect the marginal cost of incarceration up to an unknown cost if DOC needs to add staff and/or rehabilitate, expand or construct additional capacity. Oversight assumes the unknown cost has the potential to exceed \$250,000.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2035)
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2035)
Total Estimated Net Effect on All Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029	Fully Implemented (FY 2035)
Total Estimated Net Effect on FTE	0	0	0	0

- 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 2027	FY 2028	FY 2029	Fully Implemented (FY 2035)
Local Government	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Due to time constraints of less than 8 hours, **Oversight** was unable to receive agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on information regarding a similar bill(s). 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.

§211.342 – Juvenile Detention Center

In response to similar legislation, SB 1189 (2026), officials from the **Office of Administration - Budget and Planning (B&P)** stated §211.342 of the proposal allows counties to establish a 1% sales tax for the purpose of establishing juvenile detention centers. B&P defers to the specific county for the fiscal impact. DOR's retained collection fee will increase TSR because DOR will be able to collect its 1% administration fee for handling the collection and to DOR for more specific estimates of actual collection costs.

In response to a previous version (SB 888), officials from the **Department of Revenue (DOR)** stated this proposal would grant counties the ability to create a juvenile detention center. It would also allow counties within the same circuit to establish one juvenile detention center to share. This proposal also grants the counties the ability to adopt by a vote of the citizens of a county a sales tax to fund their portion of the juvenile detention center. The sales tax can be up to 1% on all retail sales in the county. The tax is to be collected by DOR who is allowed to retain 1% of the amount collected to reimburse the expense of collection.

The language of this proposal would become effective August 28, 2026, and it appears the first election in which the sales tax could be voted on would be the April 2027 municipal election. This proposal adds language stating that the sales tax would become effective the first day of the second quarter following the election. DOR notes that upon receipt of the election we would notify the vendors in the area of the new sales tax, and it would become effective October 1, 2027.

DOR is unable to predict which counties may choose to adopt this sales tax. DOR notes that once a new county passes the sales tax and notifies DOR, we would get the new county set up. It will require the Department to make changes to Revenue Premier, Rate Manager, MyTax portal, Avalara Sales and use tax rate map, and website changes. These changes are estimated at \$1,887 per system change (\$7,548) for each county that passes it.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the costs related to administrative and computer updates that could occur from the impact of a new county sales tax from the provisions of this

proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

Oversight notes the first election in which the sales tax could be voted on would be in the April 2027 municipal election. If the sales tax is approved by the voters, then the first day the sales tax could take effect would begin October 1, 2027 (FY28). DOR's administrative collection of the sales tax from the counties would be in November of 2027. Oversight is also not aware of how many counties would choose to adopt this sales tax. Therefore, Oversight will assume the unknown revenue collection from DOR's 1% fee will not meet the \$250,000 threshold.

Oversight does not have information to the contrary and therefore, Oversight will reflect a \$0 (no voter approval) or unknown revenue impact to general revenue for DOR's administrative collection of sales tax for the counties who vote in a sales tax to fund a Juvenile Detention Center within their judicial circuit beginning in FY28. Oversight will also reflect a \$0 (no voter approval) or unknown revenue to the County Juvenile Detention Center Sales Tax Trust Fund beginning in FY28.

In response to similar legislation, SB 1189 (2026), officials from the **Office of the State Courts Administrator (OSCA)** stated this proposal may have some impact but there is no way to quantify that amount 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 or (Unknown) cost to the General Revenue Fund beginning in FY28 (after municipal elections). 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.

Bill as a whole

Oversight notes no other agencies had an opportunity to respond to this fiscal note request. Therefore, Oversight assumes a fiscal impact of (Unknown, greater than \$250,000) annually for this fiscal note.

This proposal has a delayed implementation date of January 1, 2028, for §§558.011, 558.019, and 558.031.

<u>FISCAL IMPACT</u> – State Government	FY 2027	FY 2028 (6 Mo.)	FY 2029	Fully Implemented (FY 2035)
GENERAL REVENUE				
<u>Revenue Gain</u> – DOR (§211.342) 1% administration fee on county sales tax to fund a new Juvenile Detention Center	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>All Other State Agencies</u> (§§211.071, 217.362 – 589.425)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)

<u>FISCAL IMPACT</u> – Local Government	FY 2027	FY 2028 (6 Mo.)	FY 2029	Fully Implemented (FY 2035)
LOCAL POLITICAL SUBDIVISIONS				
<u>Revenue Gain - Counties</u> (\$211.342) Sales tax to fund a new Juvenile Detention Center for the county	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL IMPACT – Small Business

Small businesses could be impacted from this proposal if a new sales tax is voted in to fund a new Juvenile Detention Center.

FISCAL DESCRIPTION

This proposal relates to juvenile detention and prison reform.

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

Office of Administration - Budget and Planning
 Department of Revenue
 Office of the State Courts Administrator



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 Director
 March 5, 2026

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 Assistant Director