

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 3024-01
BILL NO. SB 611
SUBJECT: Criminal Activity Forfeiture Act.
TYPE: Original
DATE: January 7, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$0 to Unknown)	(\$0 to Unknown)	(\$0 to Unknown)
School Building Revolving Fund	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>All</u> State Funds	Unknown	Unknown	Unknown

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Federal	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>All</u> Federal Funds	(Unknown)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

The **Office of Prosecution Services** and the **Office of the Attorney General** assume the proposed legislation would have no fiscal impact on their agencies.

The **Office of the State Courts Administrator (CTS)** assumes the proposed legislation would provide a statutory procedure for local law enforcement to transfer property seized in a criminal case to a federal agency for distribution under federal law. CTS assumes it has no basis upon which to estimate any losses to school funds which may occur; however, it does not expect any appreciable fiscal impact on the state judiciary.

The **Department of Elementary and Secondary Education** assumes the proposed legislation could increase the amount of money (forfeitures) to the School Building Revolving Fund to be available to districts for facility construction at a low interest rate. The extent of this increase is unknown. Under current law, FY 2001 fines and forfeitures receipts into the School Building Revolving Fund are estimated to be \$200,000. There is no effect on the state foundation formula.

The **Department of Public Safety - Missouri State Highway Patrol (MHP)** assumes the proposed legislation would revise the CAFA law. It adds a section that defines "seizure" as being the point at which a law enforcement officer or agent discovers and exercises any type of control over property. In addition, a new section is added which permits state or local law enforcement agencies to make a limited transfer of seized property to a federal agency to complete an investigation, but the state retains jurisdiction of the forfeiture proceeding. This transfer requires the approval of the prosecuting attorney in the county where the seizure took place.

MHP officials indicated that monies derived from the federal asset forfeiture program support a good part of the law enforcement effort against drugs. This proposal could potentially cause the loss of millions of dollars in federal monies, requiring additional general revenue appropriations to continue operations. If federal monies currently received are not available in the future, either current narcotics investigations would have to be curbed or additional general revenue monies would be necessary to continue operations. MHP noted that their agency has received over \$1,000,000 per year to the Drug Forfeiture Fund through FY 1999.

Oversight assumes the proposed legislation would cause an unknown loss of federal funds to local law enforcement.

FISCAL IMPACT - State Government FY 2001 FY 2002 FY 2003

SCHOOL BUILDING REVOLVING FUND

Increase in forfeitures Unknown Unknown Unknown

GENERAL REVENUE FUND

Cost - Department of Public Safety - Missouri (\$0 to (\$0 to (\$0 to
State Highway Patrol Unknown) Unknown) Unknown)

FEDERAL FUNDS

Loss of funds - Department of Public Safety - (Unknown) (Unknown) (Unknown)
Missouri State Highway Patrol

FISCAL IMPACT - Local Government FY 2001 FY 2002 FY 2003

LOCAL LAW ENFORCEMENT

Loss of federal funds (Unknown) (Unknown) (Unknown)

FISCAL IMPACT - Small Business

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

DESCRIPTION

The proposed legislation defines “seizure” as being the point at which a law enforcement officer or agent discovers and exercises any type of control over property. In addition, a new section is added which permits state or local law enforcement agencies to make a limited transfer of seized property to a federal agency to complete an investigation, but the state retains jurisdiction of the forfeiture proceeding. This transfer requires the approval of the prosecuting attorney in the county where the seizure took place.

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

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SOURCES OF INFORMATION

Department of Public Safety
Office of the Attorney General
Department of Elementary and Secondary Education
Office of State Courts Administrator
Office of Prosecution Services

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director
January 7, 2000