

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3672-05
BILL NO.: HCS for SCS for SB 806 and SB 537
SUBJECT: Law Enforcement Officers: Certification, Districts, Funds, Taxes.
TYPE: Original
DATE: May 3, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$18,736 to unknown)	(\$19,814 to unknown)	(\$20,316 to unknown)
Policemen and Sheriff's Deputy Trust	\$0	\$0	\$0
City Law Enforcement Sales Tax Trust	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds *	(\$18,736 to unknown)	(\$19,814 to unknown)	(\$20,316 to unknown)

***Totals do not include income from 1% sales tax collection fee. These programs are permissive and some expenditures are subject to appropriation. Oversight would expect unknown costs to exceed \$100,000 annually.**

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government*	\$0	\$0	\$0

*Programs in this proposal are permissive.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 11 pages.

FISCAL ANALYSIS

ASSUMPTION

Sections 70.827 - 70.833

MULTI-JURISDICTIONAL ANTI-FRAUD ENFORCEMENT GROUP

In response to identical legislation from this session (fiscal note # 3700-05) the following departments made the following statements.

Officials from the **Department of Public Safety - Missouri State Highway Patrol, Office of State Auditor, Jefferson City Police Department,** and the **Department of Conservation** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Department of Public Safety - Director's Office (DPS)** assume they would require 1 FTE Program Specialist to work with the antifraud task forces to ensure that funds are spent in accordance with the grant contracts, 1 FTE Program Representative to be responsible for monitoring the activities of the antifraud task forces, 1 FTE Clerk Typist III to provide clerical support to the program, 1 FTE Computer Information Technologist to provide technological support, and the related expense and equipment for each position. Over the past six years DPS has automated all of their grant programs and plan to automate this program.

Officials from the **Department of Natural Resources (DNR)** assume they are not considered to be a political subdivision nor part of a political subdivision. Therefore, DNR assumes their state park rangers are not authorized by this legislation to participate in a multijurisdictional antifraud enforcement group.

Oversight assumes the language of this proposal is permissive. Any fiscal impact would appear to be contingent upon whether any political subdivisions cooperate to form a multijurisdictional antifraud enforcement group and whether funds are made available by the general assembly.

Oversight assume if MAEG units were organized the costs would exceed \$100,000 annually.

ASSUMPTION (continued)

**Sections 50.555 and 559.021-
COUNTY CRIME REDUCTION FUND:**

Oversight assumes this section is permissive and would have no fiscal impact unless the County Commission would by resolution create the County Crime Reduction Fund. Should a County Commission establish a Crime Fund, the fund would be eligible to receive monies from fines levied for misdemeanors, as a condition of probation. The fine could not exceed \$1,000.

For purposes of this fiscal note Oversight will show fiscal impact from these sections as \$0 or unknown. Oversight assumes the unknown fiscal impact would be positive.

**Sections 57.010, 590.100, 590.130
LAW ENFORCEMENT CERTIFICATION:**

Department of Public Safety officials assume this proposal would have no fiscal impact to their department.

Department of Public Safety - Missouri Highway Patrol stated that in most cases the individual is responsible for the cost of training. Few agencies are paying to send an individual through training. Officers must be certified before they can be employed. Officials stated that the costs can vary from \$2700 to \$3500. Officials assume no fiscal impact to the Department of Public Safety - Missouri Highway Patrol.

The **Boone County Sheriff** assumes no fiscal impact to Boone County.

Oversight assumes that this proposal does not require the affected political subdivision to pay for the cost of training. Therefore, the County Commission's decision to pay the cost of training would be a discretionary act. Oversight assumes no fiscal impact to state or local funds.

**Sections 57.1010, 57.1013, and 57.1016
POLICEMEN AND SHERIFFS DEPUTIES TRUST FUND**

Officials of the **Department of Public Safety** and the **Office of Administration** stated that at this time, there is not enough information to determine fiscal impact. In response to identical legislation from the last session, OA officials estimated costs would exceed \$100,000 annually.

Office of Administration officials stated they would need one .50 FTE to determine amounts to be paid, complete requests, and review payment requests. **OA** officials estimate costs for 10 months of FY 2001 for personnel service and fringe benefits \$15,052; equipment \$2,545, and expenses of \$1,139 totaling \$18,736; in FY 2002 for personnel service and fringe benefits, \$18,406; expense \$1408 and equipment \$0, totaling \$19,814; and in FY 2003 for personnel service and fringe benefits, \$18,866, expenses \$1,450, and equipment \$0, totaling \$20,316.

ASSUMPTION (continued)

Officials of the cities of - **Hannibal, Kirksville, St. Joseph, Blue Springs and Independence**

L.R. NO. 3672-05
BILL NO. HCS for SCS for SB 806 and SB 537
PAGE 4 OF 11
May 3, 2000

stated that current salaries of their officers is greater than \$20,000 annually and assume no fiscal impact.

The Cole County Clerk assumes no fiscal impact.

In similar legislation last session the cities of Sedalia, West Plains and Mexico assumed no fiscal impact.

Section 67.582

CITY LAW ENFORCEMENT SALES TAX TRUST FUND

Section 67.582 would allow any city within a county which has a county-wide sales tax for law enforcement, to seek voter approval to impose a city sales tax for law enforcement purposes.

Officials of the **Department of Revenue** stated there would be no administrative impact to the Department of Revenue. Officials stated if a city would receive voter approval to impose a sales tax for law enforcement purposes the Department of Revenue would retain a 1% collection fee which would be deposited into the State's General Revenue Fund, and the remaining funds would be deposited into a special fund to be known as the City Law Enforcement Sales Tax Trust Fund. The State Treasurer would transfer these funds monthly to the City's Public Safety Sales Tax Trust Fund.

DOR officials stated that the number of cities that would receive voter approval to impose a law enforcement sales tax, is not known, therefore, the amount of collection fees is unknown.

Sections 1 through 20

CERTAIN COUNTIES LAW ENFORCEMENT DISTRICTS

Oversight assumes this proposal is permissive. Counties where the voters would petition for establishment of a Law Enforcement District would have costs and income. Oversight will show fiscal impact to Local Governments as zero. Oversight assumes that Law Enforcement Districts costs would not exceed income resulting with either zero fiscal impact or a positive unknown balance.

Section 67.210

PUBLIC SAFETY OFFICERS - DEPENDENTS BENEFITS

This provision is permissive and would have no fiscal impact unless the political subdivisions governing body would elect to provide health insurance benefits for the dependents of retired and deceased employees.

ASSUMPTION (continued)

Oversight assumes this proposal does not mandate that benefits be paid, therefore, there would be no fiscal impact.

Section 64.337
CLAY COUNTY PARK RANGERS

In response to similar legislation, (fiscal note # 4526-01) officials of the **Department of Natural Resources and the Department of Public Safety** assume no fiscal impact.

Officials of the **Department of Elementary and Secondary Education** stated that any additional fine money distributed through the County's School Fund, would be a savings to the State's Schools Moneys Fund. The amount of savings is unknown however, officials assume it would be less than \$100,000 annually.

Oversight assumes that any increase in fines which would go to school districts would be offset by reduced payments to those districts through the State's Foundation Formula.

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		

GENERAL REVENUE FUND

<u>Income to DOR</u> from City's 1% Collection Fee (Section 67.582)	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
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<u>Cost to Office of Administration</u>	(\$11,445)	(\$14,077)	(\$14,429)
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Personal services (.50FTE)	(\$3,607)	(\$4,329)	(\$4,437)
Fringe Benefits	(\$1,139)	(\$1,408)	(\$1,450)
Expense	<u>(\$2,545)</u>	<u>\$0</u>	<u>\$0</u>
Equipment_____			

Total Costs to Office of Administration (Sections 57.1010-57.1016)	(\$18,736)	(\$19,814)	(\$20,316)
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<u>Cost to General Revenue Fund</u> From appropriation to Policemen and Sheriff's Deputy Trust Fund (Section 57.1010-57.1016)*	\$0	(Unknown)	(Unknown)
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***Subject to appropriation and is expected to exceed \$100,000.**

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2001	FY 2002	FY 2003
	(10 Mo.)		

<u>Costs - Department of Public Safety</u> (Sections 70.827 - 70.833)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
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L.R. NO. 3672-05
 BILL NO. HCS for SCS for SB 806 and SB 537
 PAGE 6 OF 11
 May 3, 2000

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Costs</u> - Grants to multi-jurisdictional anti-fraud enforcement groups * (Sections 70.827 - 70.833)	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

***Grants are subject to appropriation by General Assembly**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$18,736 to unknown)</u>	<u>(\$19,814 to unknown)</u>	<u>(\$20,316 to unknown)</u>
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**POLICEMEN AND SHERIFF'S
DEPUTY TRUST FUND
(Section 57.1010 - 57.1016)**

<u>Income to Policemen & Sheriff's Deputies Trust Fund</u>			
From State's General Revenue Fund	\$0	Unknown	Unknown
<u>Costs to Policemen and Sheriff's Deputy Trust fund</u>			
Distribution to Political Subdivisions	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

ESTIMATED NET EFFECT TO POLICEMEN AND SHERIFF'S DEPUTY TRUST FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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***Oversight assumes income and costs to Policemen and Sheriffs Deputies Trust Fund would be the same resulting in zero fiscal impact.**

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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LOCAL MAEG GRANT FUND

Income to Political Subdivision
 from MAEG Grants
 (Sections 70.827 - 70.833) \$0 to unknown \$0 to unknown \$0 to unknown

Costs to Political Subdivisions
 operation of MAEG units
 (Sections 70.827 - 70.833) \$0 to (unknown) \$0 to (unknown) \$0 to (unknown)

**ESTIMATED NET EFFECT TO
 LOCAL MAEG
 GRANT FUND** \$0 \$0 \$0

Costs to Political Subdivisions
 for providing health benefits
 (Section 67.210)* \$0 \$0 \$0

***Provisions of Section 67.210 are permissive.**

**COUNTY CRIME REDUCTION
 FUND**

Income to County Crime Reduction Fund
 from fines, county , federal matching
 funds
 (Sections 50.555 and 559.021)_____ \$0 to unknown \$0 to unknown \$0 to unknown

Cost to County Crime Reduction Fund
 for supplementing criminal Investigations
 and Prosecutions
 (Sections 50.555 and 559.021) \$0 to (unknown) \$0 to (unknown) \$0 to (unknown)

**ESTIMATED NET EFFECT TO
 COUNTY CRIME REDUCTION
 FUND*** \$0 \$0 \$0

***Oversight assumes this provision is permissive and annual costs would not exceed income, therefore, fiscal impact would be either zero or a positive fund balance.**

L.R. NO. 3672-05
 BILL NO. HCS for SCS for SB 806 and SB 537
 PAGE 9 OF 11
 May 3, 2000

<u>FISCAL IMPACT - Local Government</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
(continued)	(10 Mo.)		

CITY PUBLIC SAFETY SALES TAX TRUST FUND

<u>Income to Fund from Sales Tax</u> (Section 67.582)	unknown	unknown	unknown
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<u>Cost to Fund from funding law</u> enforcement functions (Section 67.582)	(unknown)	(unknown)	(unknown)
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ESTIMATED NET EFFECT TO CITY PUBLIC SAFETY SALES TAX TRUST FUND* _____	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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***Oversight assumes this proposal is permissive, and annual costs would not exceed income, therefore, fiscal impact would be either zero or a positive fund balance.**

LAW ENFORCEMENT DISTRICT FUND

Income to Law Enforcement Fund from property tax collections not to exceed .30 cents per \$100 of assessed value (Sections 1-20)	unknown	unknown	unknown
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<u>Costs to Law Enforcement Fund</u> From the funding of law enforcement related activities (Section 1-20)	(unknown)	(unknown)	(unknown)
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ESTIMATED NET EFFECT TO LAW ENFORCEMENT FUND	<u>0*</u>	<u>0*</u>	<u>0*</u>
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***This proposal is permissive. Oversight assumes that Law Enforcement Districts costs would not exceed income which would result with either an annual zero fiscal impact or a positive unknown fund balance.**

FISCAL IMPACT - Small Business

Small businesses located within certain political subdivisions as outlined in Section 67.582 would be fiscally impacted to the extent of administration and payment of the law enforcement sales tax. Businesses located in Law Enforcement Districts outlined in Section 1 through 20 of this proposal would be fiscally impacted to the extent of paying additional property taxes.

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

DESCRIPTION

This substitute makes a number of changes to provisions relating to law enforcement officers. In its major provisions, the substitute:

- (1) Allows the creation of a County Crime Reduction Fund to be governed by a board and to supplement the cost of criminal investigations or prosecutions. As a condition of probation, the court may require a contribution to the fund not to exceed \$1,000 for a misdemeanor (Sections 50.555 and 559.021, RSMo);
- (2) Requires that at the time elected sheriffs take office, they must have at least 120 hours of peace officer training. Failure to do so vacates the office. This provision is effective January 1, 2001 (Sections 57.010, 590.100, 590.130, 590.170 and 590.175);
- (3) Removes provisions requiring that temporary deputy sheriffs meet the same qualifications as sheriffs (Section 57.119);
- (4) Establishes the Policemen and Sheriffs' Deputies Trust Fund to be used to meet minimum officer salary requirements by January 1, 2001 (Sections 57.1010, 57.1013 and 57.1016);
- (5) Permits the Clay County Commission to appoint and set compensation of park rangers for the parks and recreational facilities of the county (Section 64.337);
- (6) Allows the dependents of retired and deceased officers and employees to continue to receive benefits (Section 67.210);
- (7) Allows any city located within a county which has a county-- wide sales tax for law enforcement to impose by ordinance and upon voter approval a tax for law enforcement. The substitute deposits funds collected into the County or City Law Enforcement Sales Tax Trust Fund (Section 67.582);
- (8) Allows the creation of multi-jurisdictional anti-fraud enforcement groups (MAEGs) to investigate fraud. MAEGs may form units across state lines, if permitted by the bordering state, and law enforcement officers from bordering states may be deputized locally (Sections 70.827, 70.829, and 70.831);

DESCRIPTION (continued)

- (9) Includes medical expenses for offenders in the costs assessed at a criminal prosecution

L.R. NO. 3672-05
BILL NO. HCS for SCS for SB 806 and SB 537
PAGE 11 OF 11
May 3, 2000

(Section 221.120);

(10) Gives State Water Patrol officers arrest powers outside of their jurisdictions in certain circumstances (Section 306.165);

(11) Updates the minimum training hours for peace officers to require 470 hours, with certain exceptions, and requires most peace officers and bailiffs to be qualified pursuant to the minimum standards program at the time of commission. The substitute also makes a number of changes regarding the training, certification, employment, and discipline of peace officers (Sections 590.105, 590.110, 590.131, 590.135, 590.137, 590.138, 590.139, 590.140 and 590.180); and

(12) Allows law enforcement districts to be created by petition in certain counties to fund, promote, plan, and operate projects relating to law enforcement through a variety of funding sources, including a property tax. Currently, the substitute would apply to Camden County (Sections 1 through 20). An emergency clause applies to this portion of the substitute.

SOURCES OF INFORMATION

Department of Revenue
Office of Administration
Department of Public Safety - Missouri Highway Patrol
Department of Natural Resources
Office of State Auditor
Department of Conservation
Boone County Sheriff
Johnson County Sheriff
City of Kirksville
City of St. Joseph
City of Independence
City of Blue Springs
Cole County Clerk
City of Hannibal
City of West Plains
City of Mexico
City of Sedalia



Jeanne Jarrett, CPA
Director
May 3, 2000