

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR NO.: 675-03
BILL NO.: SCS for SB 215 & 440
SUBJECT: Returned Checks
TYPE: Original
DATE: March 7, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
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
Counties	Unknown	Unknown	Unknown

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development - Divisions of Finance and Credit Unions** assume the proposal would have no fiscal impact on their agencies.

Officials of the **Office of the Jackson County Prosecuting Attorney** stated that this proposal would provide for an increase in the administrative handling fees.

Officials of the **Office of Boone County Prosecuting Attorney** stated that the proposed legislation is tied to a legal action rather than to the processing of a bad check, the bill encourages multiple filings and litigation. With every lawsuit filed, there is the expense of filing the charge, serving the defendant with notice, etc.. Officials stated that their office packages the administrative fees with each check on one law suit. Officials stated that the collection of administrative fees under this proposal might be increased, but the cost of collecting the fees would be significantly higher.

Officials of the **Office of State Courts Administrators** stated there would be no fiscal impact on the Courts.

Oversight assumes that the proposal would increase the fees assessed by prosecuting or circuit attorneys on returned checks, and that counties would consequently collect additional revenues from such fees. The amount of increased collections cannot be reasonably determined.

	FY 2001	FY 2002	FY 2003
<u>FISCAL IMPACT - State Government</u>	(10 Mo.)		
	\$0	\$0	\$0

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

COUNTIES

<u>Income-increased fees for bad checks</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

This act increases the administrative handling fees which bad-check violators must pay to the local Prosecuting Attorney's office. The base fee is increased to \$25 for any such check. An additional fee of 10 percent of the face amount is charged for checks with a face amount of \$100 or more. The maximum fee is \$100 in any event.

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 Economic Development - Divisions of Finance and Credit Unions
Office of State Courts Administrator
Office of Boone County Prosecuting Attorney
Jackson County Prosecuting Attorney



Jeanne Jarrett, CPA
Director
March 7, 2001