

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 0237-02
BILL NO. SCS for HB 80
SUBJECT: Multi-Jurisdictional Anti-Fraud Enforcement Groups
TYPE: Original
DATE: April 27, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$0 to (Unknown*)	\$0 to (Unknown*)	\$0 to (Unknown*)
Total Estimated Net Effect on <u>All</u> State Funds	\$0 to (Unknown*)	\$0 to (Unknown*)	\$0 to (Unknown*)

* SUBJECT TO APPROPRIATIONS - Could exceed \$100,000 in any given year.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

Numbers within parentheses: () indicate costs or losses

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Authorizing the creation of law enforcement districts and multi jurisdictional antifraud enforcement groups.

Officials from the **Jefferson City Police Department**, **Boone County Sheriff's Department** and the **Department of Conservation** assume the proposed legislation would have no fiscal impact on their agencies.

In response to similar legislation from this year, officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** and the **St. Louis Metropolitan Police Department** assume the proposed legislation would have no fiscal impact on their agencies.

In response to similar legislation from this year, officials from the **Department of Public Safety - Director's Office (DPS)** assumed they would require 1 FTE Public Safety Manager 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 Accountant to provide financial support and auditing of the antifraud task forces grants, 1 FTE Clerk Typist III to provide clerical support to the program, 1 FTE Computer Information Technologist III to provide technological support, and the related expense and equipment for each position. Over the past seven years DPS has automated all of their grant programs and plan to automate this program.

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.

Authorizing the creation of law enforcement districts in Camden County;

In response to similar legislation from this year, officials of the **Department of Public Safety** assumed this part of the proposal would not fiscally impact their department.

In response to similar legislation from this year, **Camden County** officials assumed this part of the proposal would require a citizens petition to create and , therefore, there would be no fiscal impact. Should a district be established officials assume there would be income from a property tax and costs from providing law enforcement projects.

ASSUMPTION (continued)

Oversight assumes this part of the proposal is permissive and would require voter petition, and approval before fiscal impact would be realized. The district, if established, would have income from property taxes, which could not exceed 6 cents per one hundred dollars of assessed valuation, and the district would have costs related to providing projects for law enforcement. Oversight assumes that annual costs would not exceed revenues resulting in either an annual positive fund balance, or an annual zero fiscal impact. Oversight shows no fiscal impact for this part of the proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE			
<u>Costs</u> - Department of Public Safety	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Costs</u> - Grants to multijurisdictional antifraud enforcement groups *	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

* **SUBJECT TO APPROPRIATIONS - could exceed \$100,000 in any given year.**

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
POLITICAL SUBDIVISIONS			
<u>Income</u> - Grants *	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs</u> - Operation of multijurisdictional antifraud enforcement groups	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

* **SUBJECT TO APPROPRIATIONS - could exceed \$100,000 in any given year.**

FISCAL IMPACT - Small Business

Small business located within the boundaries of a law enforcement district would realize the cost of paying an additional property tax.

DESCRIPTION

The proposed legislation allows political subdivisions to form groups for the purpose of investigating fraudulent activities. The proposal:

- (1) Defines a "multijurisdictional antifraud enforcement group" (MAEG) as a combination of political subdivisions that are formed, by ordinance, to investigate fraud (Sections 70.827, 70.829);
- (2) Grants officers authorized as MAEG members the power of arrest, which can be exercised anywhere in the state if notification is given to the authorities of the venue (Section 70.829);
- (3) Permits the formation of a MAEG across state lines, if permitted by the bordering state. Law enforcement officers from the bordering states may be deputized locally (Section 70.831); and
- (4) Makes MAEG units eligible for state grants for operating costs if certain conditions are met (Sections 70.831, 70.833).

This proposal also authorizes the creation of law enforcement districts in Camden County to fund, promote and operate projects relating to law enforcement. Ten percent of the registered voters in a district may file a petition in circuit court requesting the creation of a district. The act sets forth the requirements and court procedure regarding the petition. A Board of Directors consisting of five elected members would govern each law enforcement district. A district may impose a property tax if approved by voters. The act outlines the legal powers of a law enforcement district, including the powers to contract, borrow money and coordinate efforts with state and local agencies.

The proposal has a partial emergency clause.

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
Director's Office
Missouri Highway Patrol
Department of Conservation
Jefferson City Police Department
St. Louis Metropolitan Police Department
Boone County Sheriff's Department
Camden County

NOT RESPONDING: **Cole County Sheriff**
 Kansas City Police Department



Jeanne Jarrett, CPA
Director

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