

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2894-03
Bill No.: SCS for SBs 662 & 704
Subject: Law Enforcement Officers and Agencies; Pawnbrokers; Real and Personal Property; Crimes and Punishment; Evidence; Criminal Procedure
Type: Original
Date: January 28, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	Could exceed \$100,000	Could exceed \$100,000	Could exceed \$100,000
Total Estimated Net Effect on <u>All</u> State Funds	Could exceed \$100,000	Could exceed \$100,000	Could exceed \$100,000

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

In response to a similar proposal from the current session (SB 662), officials from the **Callaway County Sheriff's Department** assumed the proposed legislation would save the department time in returning property to its lawful owner. However, the proposed legislation would have no fiscal impact on their agency.

Officials from the **Department of Public Safety – Missouri Highway Patrol** assume this proposal would not fiscally impact their agency.

In response to a similar proposal from the current session (SB 704), officials from the **Office of the State Public Defender** assumed, for the purpose of this proposed legislation, although the possible penalties for several crimes involving theft of items worth less than \$500 will be reduced, existing staff will continue to provide representation where indigent persons were charged. In reality, the workload on these particular felony reduced to misdemeanor cases would be less, but then the number of these cases is very minimal when compared to the total State Public Defender caseload.

Officials from the **Office of State Courts Administrator** would not anticipate a significant impact on the workload of the judiciary as a result of the proposed legislation.

Officials from the **Office of Prosecution Services** assume the cost of the proposed legislation can be absorbed by prosecutors.

Officials from the **Department of Corrections (DOC)** assume the pawnbroker portion of this bill has no fiscal impact for the DOC. The bill proposes increasing the minimum dollar amount from \$150 to \$500 for a number of theft offenses. If the amount illegally obtained is less than \$500 then the offense becomes a misdemeanor offense for which offenders can receive probation but not prison sentences. This change should prove to find more offenders receiving misdemeanor (or lesser) charges and less offenders receiving felony (or more extensive) sentences, as so outlined for each crime. There are 13 offenses included in the bill, but only 4 have significant numbers being admitted to prison. The significant offenses are receiving stolen property, issuing a bad check, credit card fraud and failure to return property.

The DOC database does not have a value of property shown for the above-mentioned crimes, so potential numbers cannot be determined. In 1998 the stealing limit was raised from \$150 to \$750 and this resulted in a 35% decrease in class C felony prison admissions. The DOC estimates that raising the limit from \$150 to \$500 in this bill for the noted property offenses will also result in an annual reduction of prison admissions. A snapshot of the DOC database for FY 01 indicates

that 324 offenders with applicable charges served an overall average of 12 months in prison.

ASSUMPTION (continued)

Offenders who would have received term and 120-day shock incarceration sentences are included in this average:

Receiving Stolen Property	141
Issuance of Bad Checks	149
Credit Card Fraud	22
Failure to Return Property	<u>12</u>
	<u>324</u>

DOC is unable to determine the number of offenders who would not receive prison sentences due to passage of this proposal. However, it would be offset by the increased number of probationers. The average probation time for a misdemeanor is 2 years.

The DOC's FY 01 average per diem for incarceration is \$35.78 per inmate (or an annual cost of \$13,060 per inmate) and supervision provided by the Board of Probation and Parole is \$3.34 per offender, per day (or an annual cost of \$1,219 per offender). The savings due to passage of this proposal is unknown but is expected to exceed \$100,000 per year.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Savings</u> – Department of Corrections Fewer prison commitments	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could have a direct fiscal impact on pawnbroker businesses in the state.

DESCRIPTION

The proposed legislation would raise the felony limit for numerous other crimes involving theft from \$150 to \$500. The other criminal statutes affected are: making a false statement to receive health care payment; sale of any species of wildlife; tampering with computer data; tampering with computer equipment; tampering with computer users; determination of value; receiving stolen property; alternation or removal of item numbers with intent to deprive rightful owner; passing bad checks; fraudulently stopping payment on an instrument; fraudulent use of a credit or debit device; library theft; theft of cable television service; failure to return rented personal property; unlawful receipt of food stamps or ATP cards; unlawful conversion of food stamps or ATP cards; unlawful transfer of food stamps or ATP cards; and perjury, committed when obtaining public assistance.

This proposal would allow a law enforcement officer to seize property in the possession of a pawnbroker if the law enforcement officer receives a report from a claimant that the property has been misappropriated and the property is reasonably identifiable as the property of the claimant. If the pawnbroker believes the property is not misappropriated they would then be entitled to file a cause of action in small claims court. The prevailing party would be entitled to court costs and attorney's fees.

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

SOURCES OF INFORMATION

Office of State Courts Administrator
Department of Public Safety – State Highway Patrol
Callaway County Sheriff's Department
Office of Prosecution Services
Office of State Public Defender
Department of Corrections

NOT RESPONDING: **Cole County Sheriff, Boone County Sheriff**

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A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Acting Director

January 28, 2002