

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1228-01
Bill No.: HB 370
Subject: Courts; Cities, Towns and Villages; Fees; Veterans
Type: Original
Date: March 4, 2013

Bill Summary: This proposal allows municipalities to charge an additional surcharge up to \$7 per traffic violations case.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government*	\$0	\$0	\$0

* Potential offsetting income and expenses.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** state the proposed legislation would allow municipalities to charge an additional surcharge up to \$7 per traffic violation case. Since the legislation is permissive, we have no way of knowing how many municipalities would create the programs. Any significant increase in workload will be reflected in future budget requests.

Officials from the **City of Kansas City** stated the \$7 surcharge per municipal traffic violation, if approved by ordinance, will result in additional revenue per year as follows:

FY 2014	\$326,667 (8 months)
FY 2015	\$490,000
FY 2016	\$490,000

Kansas City also stated that the legislation requires a city, if it adopts such ordinance, to use all of the funds from the surcharge to fund indigent legal representation in civil matters under a contract with the legal aid organization. Consequently, the costs will offset all of the revenue derived by the legislation.

Officials from the **Department of Public Safety - Missouri Veterans Commission** assumed the bill would not fiscally impact their agency.

Officials from the cities of Columbia, Joplin, O'Fallon, Springfield, St. Louis, and St. Joseph did not respond to our request for fiscal impact.

Since the additional surcharge is permissive, **Oversight** will reflect the fiscal impact to the municipalities from \$0 (no city passes an approving ordinance) to an unknown amount of surcharge income, state-wide. Oversight will also reflect the potential income from this surcharge being expended in the same year, resulting in a net zero fiscal impact to the municipalities.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
MUNICIPALITIES			
<u>Income</u> - up to \$7 surcharge per municipal traffic violation - with passage of approving ordinance	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> - income from \$7 surcharge to be used to fund legal representation for indigent veterans and non-veterans in civil matters	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT TO MUNICIPALITIES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal allows municipalities to charge an additional surcharge up to \$7 per traffic violation case in order to fund legal representation of indigent individuals in civil matters.

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

Office of the State Courts Administrator
Department of Public Safety
Missouri Veterans Commission
City of Kansas City

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SOURCES OF INFORMATION (continued)

Not Responding:

Cities of Columbia, Joplin, O'Fallon, Springfield, St. Louis, and St. Joseph



Ross Strope
Acting Director
March 4, 2013

RS:LR:OD