

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1938-05
Bill No.: Perfected HCS for HB 807
Subject: Courts; Civil Procedure
Type: Original
Date: April 15, 2015

Bill Summary: This proposal modifies provisions relating to court proceedings.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$25,529)	(\$93,631)	(\$161,801)
Total Estimated Net Effect on General Revenue	(\$25,529)	(\$93,631)	(\$161,801)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§217.360 - Two-way telecommunication devices to items not allowed in jails or prisons
Officials at the **Department of Corrections (DOC)** assume no fiscal impact from this proposal.

§221.111 - Delivery or concealment on premises of prohibited articles
Officials at the **Department of Corrections** assume no fiscal impact from this proposal.

§452.315 - Authorized motions
Officials at the **Department of Corrections** assume no fiscal impact from this proposal.

§452.317 - Termination of insurance during marriage dissolution
Officials at the **Department of Corrections** assume no fiscal impact from this proposal.

§456.950 - Claims of creditors on spousal trusts following marriage dissolution
Officials at the **Department of Corrections** assume no fiscal impact from this proposal.

§456.1-113 - Transfer of assets to a trust
Officials at the **Department of Corrections** assume no fiscal impact from this proposal.

§478.463 - Moving the 12th Division of the 16th Judicial Circuit from Kansas City to the City of Independence
Officials at the **Department of Corrections** assume no fiscal impact from this proposal.

Officials at **Office of the State Courts Administrator** assume this section of the proposed legislation moves the 12th Division of the 16th Judicial Circuit Court from the city of Kansas City to the city of Independence. There may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

§513.430 - Property exempt from attachment
Officials at the **Department of Corrections** assume no fiscal impact from this proposal.

§§566.210, 566.211, 566.212, 566.213 - Offense of child sex trafficking
Officials at the **Department of Corrections** state the result from this proposal is an increase of 1 additional offender incarcerated per year totaling 5 offenders incarcerated by year 5 and 1 additional offender under supervision per year until year 5. Offenders will be incarcerated with a 6 year sentence.

ASSUMPTION (continued)

§§570.010, 570.030 - Offense of theft when property is owned by a financial institution

Officials at the **Department of Corrections** state the result from this proposal is an increase of 0 offenders in the first year, 5 offenders in the second year and 6 offenders in the third year and beyond. For field supervision of offenders, the result is 9 offenders in the first year, 18 offenders in the second year and 38 offenders in the third year and beyond. The FY 14 average cost of supervision is \$6.72 per offender per day or an annual cost of \$2,453 per offender. The Department cost of incarceration is \$16.725 per day or an annual cost of \$6,105 per offender.

The combined impact for HB 276 and HB 152 is as follows:

Summary for §§566.210, 566.211, 566.212, 566.213, 570.010, 570.030

In summary, the number of incarcerations for this proposal each year would be as follows:

FY 2016 = 1

FY 2017 = 7

FY 2018 = 9

The number of field supervision for this proposal each year would be as follows:

FY 2016 = 10

FY 2017 = 20

FY 2018 = 41

The total cost for DOC for this proposal each year would be as follows:

FY 2016 = \$25,529

FY 2017 = \$93,631

FY 2018 = \$161,801

Bill as a whole

Officials at the **Office of the Attorney General** assumed that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Department of Agriculture**, the **Department of Revenue**, the **Office of Prosecution Services**, the **Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Public Safety's Missouri Highway Patrol** each assume no fiscal impact to their respective agencies from this proposal.

ASSUMPTION (continued)

Officials at the **City of Kansas City**, the **Boone County Sheriff's Department** and **Cole County Sheriff's Department** each assume no fiscal impact to their respective entities from this proposal.

In response to a previous version, officials at the **Springfield Police Department** assumed no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
<u>Cost - DOC - increase in incarcerations and field supervision of offenders</u> (§§566.210, 566.211, 566.212, 566.213, 570.010, 570.030)	<u>(\$25,529)</u>	<u>(\$93,631)</u>	<u>(\$161,801)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$25,529)</u>	<u>(\$93,631)</u>	<u>(\$161,801)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<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 bill specifies that a qualified spousal trust can include without limitation a discretionary power to distribute trust property to a person in addition to a settler. All property at any time held in a qualified spousal trust, without regard to how the property was titled prior to it being so held, must have the same immunity from the claims of a separate creditor of either settler as if the property were held outside the trust by the settlers as tenants by the entirety, unless otherwise provided in writing by the settler or settlers who transferred the property to the trust, and the

FISCAL DESCRIPTION (continued)

property must be treated for that purpose, including without limitation, federal and state bankruptcy laws, as tenants by entirety property.

Property held in a qualified spousal trust is required to be treated as tenants by the entirety, without regard to whether the document governing the qualified spousal trust has been amended or restated, so long as that trust qualifies as a qualified espousal trust and both settlors remain married to each other. A transfer to a qualified spousal trust cannot avoid or defeat the Missouri Uniform Fraudulent Transfer Act and any transfer of an asset to a trustee of a trust, to the trust itself, or to a share of the trust, in a manner that is reasonably calculated to identify the trust or that share of the trust, subjects that asset to the terms of the trust or that share.

HCA 1: Allows an insurance policyholder to petition the court for reimbursement of insurance costs as they occur during the pendency of a dissolution of marriage or legal separation; allows either party to a divorce to request the court issue an order after a notice and hearing which reallocates or reapportions any or all insurance costs incurred during the divorce proceedings.

HCA 2: Allows for an exemption of up to \$15,000 for any matured life insurance policy to pay for a funeral, cremation, or burial expenses for a deceased spouse, child, or parent of the beneficiary.

HCA 3: Makes the physical theft or attempted physical theft of property owned by or in the custody of a financial institution a class B felony.

HCA 4: Makes the delivery or attempted delivery of a two-way communications device or its component parts into a correctional facility a class D felony until December 31, 2016 and a class E felony after January 1, 2017.

HCA 5: Gives a court discretion to order the Director of Revenue to suspend the defendant's driving privileges at the request of the prosecutor for a defendant when he or she fails to appear or dispose of the charges and fully pay the costs of their moving traffic violation 30 days after the mailing date of the notice.

HCA 6: Moves the seat of Division 12 of the 16th Judicial Circuit from Kansas City to Independence.

HCA 7: Rescinds immunity for property held in qualified espousal trusts from the claims of creditors upon dissolution of marriage.

FISCAL DESCRIPTION (continued)

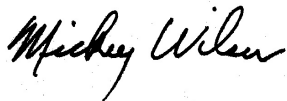
HCA 8: Makes the advertising of a commercial sex act, sexual performance, or production of sexually explicit material involving a child a felony punishable by 10 years to life imprisonment if the child is 12 years old or older and life imprisonment if the child is under 12 years old.

HCA 9: Removes the requirement that a commercial pesticide applicator furnish evidence of license renewal, except when a request is made by the Director of the Department of Agriculture; increases the required surety bond or liability insurance from \$25,000 to \$50,000 for property damage and bodily injury.

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 Corrections
Office of the State Courts Administrator
Office of the Attorney General
Department of Agriculture
Department of Revenue
Department of Insurance, Financial Institutions and Professional Registration
Department of Public Safety
 Missouri Highway Patrol
Office of Prosecution Services
Boone County Sheriff's Department
City of Kansas City
Cole County Sheriff's Department
Springfield Police Department



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