

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4399-01
Bill No.: HB 1455
Subject: Political Subdivisions; Public Safety, Department of
Type: Original
Date: February 17, 2016

Bill Summary: This proposal creates the Neighborhood Watch Fund, which provides state funding for political subdivisions and the wards of St. Louis City to establish neighborhood watch organizations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)
Total Estimated Net Effect on General Revenue	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)	(Unknown - could exceed \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Neighborhood Watch Fund*	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

* Transfer into the fund and expenditures from the fund assumed to net to \$0 annually
 Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Local Government*	\$0	\$0	\$0

*Estimated receipts in from state grants and expenditures net to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Office of the Director (DPS)** state the fiscal impact will depend on the amount of money appropriated and the number of approved watch programs. Potentially it would require the need for additional program staff to oversee and to monitor the subgrants. Additional costs include the equipment and supplies for that person, as well as the travel costs to and from St. Louis City to conduct the periodic monitoring.

According to officials from the **Office of the Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Office of the State Treasurer** and the **Joint Committee on Administrative Rules** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **City of Kansas City** state the legislation may provide revenues in an indeterminate amount. It is not possible to determine whether the City would be granted any funds were this legislation to be passed or what would be the amount of any such funds.

Officials at the **City of Columbia** assume an unknown negative fiscal impact from this proposal.

Officials at the **Callaway County Commission** assume no fiscal impact from this proposal.

Oversight will reflect a potential cost to the General Revenue Fund of Unknown - could exceed \$100,000. The proposal limits the funding for the program to less than \$10 million annually. Oversight will assume local political subdivisions that receive funding through this program will spend the proceeds in the same year.

ASSUMPTION (continued)

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, Shelby, St. Charles, St. Louis, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Des Peres, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Transfer Out</u> - to the Neighborhood Watch Fund - for disbursements to local political subdivisions	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT OF THE GENERAL REVENUE FUND	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
NEIGHBORHOOD WATCH FUND			
<u>Transfer In</u> - from General Revenue	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000
<u>Costs</u> - Department of Public Safety costs to administer the program including additional staff, travel and other expenses	(Unknown)	(Unknown)	(Unknown)
<u>Costs</u> - disbursements to local political subdivisions for establishment of neighborhood watch organizations.	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT TO THE NEIGHBORHOOD WATCH FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - state funding to establish neighborhood watch organizations	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000	Unknown - could exceed \$100,000
<u>Costs</u> - establishment of neighborhood watch organizations	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)	(Unknown - could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<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

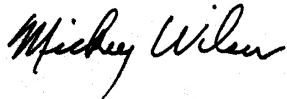
This bill creates the Neighborhood Watch Fund to which the General Assembly may appropriate moneys to provide funds for the creation or establishment of neighborhood watch organizations. The annual amount of approved disbursement from the fund cannot exceed \$10 million. The Director of the Department of Public Safety must create an application, establish procedures for the entities to follow to receive funds under the provisions of the bill, and administer the fund. The department must determine any disbursements from the fund and must give priority to areas with a high crime rate, defined as an area that is in the top 25% of all counties with the highest overall crime rate according to the State Highway Patrol's Uniform Crime Reporting Program.

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
Office of the State Treasurer
Office of the Secretary of State
Joint Committee on Administrative Rules
City of Kansas City
Callaway County Commission
City of Columbia



Mickey Wilson, CPA
Director
February 17, 2016

Ross Strobe
Assistant Director
February 17, 2016