

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6199-01
Bill No.: HB 2433
Subject: Attorneys; Counties; Courts
Type: Original
Date: April 12, 2016

Bill Summary: This proposal modifies provisions relating to county prosecuting attorneys.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2023)
General Revenue	Unknown	Unknown	Unknown	Unknown
Total Estimated Net Effect on General Revenue	Unknown	Unknown	Unknown	Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2023)
Office of Prosecution Services Fund	Unknown	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown	Unknown	Unknown	Unknown

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2023)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2023)
Total Estimated Net Effect on FTE	0	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	Fully Implemented (FY 2023)
Local Government	Unknown	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

In response to similar legislation this year, SB 707, officials at the **County Employee's Retirement Fund (CERF)** assumed this proposal could potentially generate additional costs if the 10% debt collection fee is used by a prosecutor's office to hire additional staff. These new staff members might participate in CERF and since employee contributions do not cover the full cost, CERF will experience additional costs. It is not possible to quantify the cost impact since it is unknown how many additional staff might be hired.

In response to similar legislation this year, SB 707, officials at the **Prosecuting and Circuit Attorney's Retirement System (PACARS)** stated it is not possible for them to determine whether this proposal would have a material impact on the fiscal status of PACARS.

In response to similar legislation this year, SB 707, 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 **Office of the State Treasurer**, the **Office of Prosecution Services** and the **Office of the State Courts Administrator** each assume no fiscal impact to their respective agencies from this proposal.

In response to similar legislation this year, SB 707, officials at the **Office of the Secretary of State**, the **Office of Administration's Division of Budget Planning**, the **Office of the State Public Defender**, the **Department of Revenue** and the **Missouri Local Government Employees Retirement System** each assumed no fiscal impact to their respective agencies from this proposal.

Officials at **St. Louis County** and the **Platte County Board of Election Commission** each assume no fiscal impact to their respective entities from this proposal.

ASSUMPTION (continued)

In response to similar legislation this year, SB 707, officials at the **Callaway County Commission**, the **St. Louis County Board of Election Commission**, the **Jackson County Board of Election Commission** and the **Kansas City Local Election Authority** each assumed no fiscal impact to their respective entities from this proposal.

Oversight notes that PACARS, CERF and LAGERS are retirement systems and the proposal should not cause an increase in contribution rates from local political subdivisions. Therefore, Oversight will assume no direct fiscal impact for local political subdivisions.

Oversight notes a prosecuting attorney shall be elected in each county starting at the general election in 2018 and every four years thereafter or beginning in 2022 and every four years thereafter in each multi county jurisdiction from this proposal. The exception would be for a county with a charter form of government where the prosecuting attorney shall be elected at the general election provided for in the county's charter. Therefore, Oversight will reflect costs of sharing prosecuting attorneys between multiple counties at the general election in 2022 or FY 2023.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019	Fully Implemented (FY 2023)
GENERAL REVENUE				
<u>Additional Revenue - State Agencies - from collection of debt by Prosecuting Attorneys</u> (§56.060.3)	Unknown	Unknown	Unknown	Unknown
<u>Transfer Out - 10% of additional revenue to Office of Prosecution Services Fund</u> (§56.060.4(1))	(Unknown)	(Unknown)	(Unknown)	(Unknown)
<u>Transfer Out - 10% of additional revenue to County Treasurers</u> (§56.060.4(2))	(Unknown)	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
OFFICE OF PROSECUTION SERVICES FUND				
<u>Transfer In - from General Revenue 10% of collection fees</u> (§56.060.4(1))	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON OFFICE OF PROSECUTION SERVICES FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

<u>FISCAL IMPACT -</u> <u>Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019	Fully Implemented (FY 2023)
LOCAL POLITICAL SUBDIVISIONS				
<u>Savings</u> - Counties - Cost sharing of prosecuting attorney costs between multiple counties (\$56.015)	\$0	\$0	\$0	\$0 or Unknown
<u>Transfer In</u> - from General Revenue - 10% of collection fees (\$56.060.4(2))	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act specifies that two or more contiguous counties in a judicial circuit may act cooperatively to employ a prosecuting attorney pursuant to procedures under current law allowing cooperation among counties. The shared prosecuting attorney is to be elected at the 2022 general election and every four years thereafter.

This act allows any prosecuting attorney to represent state agencies in debt collection cases and provide at least six hours of continuing education to police officers. Unless there is a different agreement, the prosecuting attorney retains 20 percent of all debt collected on behalf of state agencies with one-half of the fee to go to the Missouri Office of Prosecution Services Fund and one-half to go to the county treasurer to be used solely for the prosecutor's office. If the prosecutor is a shared prosecutor, then the retained fee goes to each county on a pro rata basis.

FISCAL DESCRIPTION (continued)

Under this act, prosecuting attorneys representing multiple counties must receive compensation equal to that of an associate circuit judge, which is prorated among the counties. Current law provides that part-time prosecutors are to be paid according to a scale set in statute that is based on the assessed valuation of the county. The scale ranges from \$37,000 to \$55,000. This act provides that part-time prosecutors may receive a salary of up to 75 percent of the compensation of an associate circuit judge and, beginning in 2019, must receive a minimum compensation equal to 40 percent of the compensation of an associate circuit judge. In 2023, part-time prosecutors must receive a minimum compensation of at least 45 percent of the compensation of an associate circuit judge, and beginning in 2027, part-time prosecutors must receive a minimum compensation equal to 50 percent of the compensation of an associate circuit judge.

This act requires the counties to share in the retirement contribution for the prosecuting attorney. The annuity for such prosecuting attorneys is 50 percent of the final average compensation. Under current law, a majority of voters in each county affected by a proposition to create a cooperative district must approve the proposition. This act provides that, when the proposition is for the common employment of a prosecutor, four-sevenths of the voters in each county must approve the proposition unless no one has filed for the office of prosecutor during the preceding eight years in one of the counties in the circuit or none of the residents qualify for the office in at least one of the counties in the circuit. In the event that one of these two situations exist, a simple majority vote of approval from each county is required.

When the counties adopt a proposition to cooperate to employ a prosecutor, the commissioners of all the counties must approve a joint agreement that includes a formula for calculating each county's costs and procedures for the approval of the prosecutor's annual budget. Current law requires a simple majority vote for a county to withdraw from a cooperative district. This act provides that, if the original proposition to join the district required a four-sevenths majority vote, the proposition to withdraw from the district must also receive approval from four-sevenths of the voters in the county.

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

County Employee's Retirement Fund
Prosecuting and Circuit Attorney's Retirement System
Office of the Attorney General
Office of the State Treasurer
Office of the State Courts Administrator
Office of Prosecution Services
Office of the Secretary of State
Office of Administration
 Division of Budget Planning
Office of the State Public Defender
Department of Revenue
Missouri Local Government Employees Retirement System
St. Louis County
Callaway County Commission
St. Louis County Board of Election Commission
Jackson County Board of Election Commission
Platte County Board of Election Commission
Kansas City Local Election Authority



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