

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5870-01
Bill No.: HB 1845
Subject: Circuit Clerk; Courts; Fees
Type: Original
Date: March 20, 2012

Bill Summary: This proposal authorizes circuit clerks to collect a surcharge for processing garnishments.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
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 2013	FY 2014	FY 2015
Local Government	Up to \$2,500,000	Up to \$2,500,000	Up to \$2,500,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Office of Administration - Budget and Planning** state that the proposal should not result in additional costs or savings to their agency.

Officials from the **Office of the State Courts Administrator** assume the proposal would allow circuit clerks to collect a surcharge not to exceed \$10 for processing garnishments.

Based on data from FY 11, there were approximately 250,212 executions and garnishments on which this surcharge could be applied. We assume all circuit courts would collect a \$10.00 surcharge and anticipate the revenue would be approximately \$2,502,120 in any given year.

Officials from the **Department of Revenue** did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
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LOCAL GOVERNMENT

<u>Revenue</u> - Surcharge assessed and collected in cases where garnishment is granted.	Up to <u>\$2,500,000</u>	Up to <u>\$2,500,000</u>	Up to <u>\$2,500,000</u>
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ESTIMATED NET EFFECT ON LOCAL GOVERNMENT	<u>Up to</u> <u>\$2,500,000</u>	<u>Up to</u> <u>\$2,500,000</u>	<u>Up to</u> <u>\$2,500,000</u>
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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 the clerk of the circuit court to charge and collect a surcharge of up to \$10 in cases where a garnishment is granted. Any moneys collected must be placed in a fund to be used at the discretion of the circuit clerk to maintain and improve case processing and record preservation.

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
Office of Administration - Budget and Planning
Attorney General's Office

NOT RESPONDING

Department of Revenue



Mickey Wilson, CPA
Director
March 20, 2012