

HF3991 - 0 - Restorative Practices Restitution Program Created

Chief Author: **Sandra Feist**
 Committee: **Judiciary Finance And Civil Law**
 Date Completed: **3/18/2024 9:09:33 PM**
 Lead Agency: **Supreme Court**
 Other Agencies:
 Public Safety Dept

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Supreme Court						
General Fund	-	-	218	238	238	
Game And Fish (Operations)	-	-	2	2	2	
Highway Users Tax Distribution	-	-	12	13	13	
State Total						
General Fund	-	-	218	238	238	
Game And Fish (Operations)	-	-	2	2	2	
Highway Users Tax Distribution	-	-	12	13	13	
Total	-	-	232	253	253	
Biennial Total			232			506

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Supreme Court					
General Fund	-	-	-	-	-
Game And Fish (Operations)	-	-	-	-	-
Highway Users Tax Distribution	-	-	-	-	-
Total	-	-	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Karen McKey **Date:** 3/18/2024 9:09:33 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Supreme Court						
General Fund		-	-	218	238	238
Game And Fish (Operations)		-	-	2	2	2
Highway Users Tax Distribution		-	-	12	13	13
Total		-	-	232	253	253
Biennial Total				232		506
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Supreme Court						
General Fund		-	-	-	-	-
Game And Fish (Operations)		-	-	-	-	-
Highway Users Tax Distribution		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Supreme Court						
General Fund		-	-	(218)	(238)	(238)
Game And Fish (Operations)		-	-	(2)	(2)	(2)
Highway Users Tax Distribution		-	-	(12)	(13)	(13)
Total		-	-	(232)	(253)	(253)
Biennial Total				(232)		(506)

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Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
Game And Fish (Operations)	-	-	-	-	-
Highway Users Tax Distribution	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

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State Cost (Savings) Calculation Details

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Game And Fish (Operations)	-	-	-	-	-
Highway Users Tax Distribution	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-
2 - Revenues, Transfers In*					
General Fund	-	-	(218)	(238)	(238)
Game And Fish (Operations)	-	-	(2)	(2)	(2)
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Total	-	-	(232)	(253)	(253)
Biennial Total			(232)		(506)

Bill Description

This bill modifies Minn. Stat. §§ 260B.198 (dispositions; delinquent child); 260B.225 (juvenile traffic offender); and 260B.235 (juvenile petty offenders) to authorize the option for juveniles to participate in a restorative process to satisfy restitution obligations, where such processes are available. The bill modifies Minn. Stat. § 299A.95, subd. 5 to authorize the Office of Restorative Practices to award grants to provide funds for victims to receive monetary compensation to satisfy restitution obligations in instances where a juvenile offender participated in a restorative process.

The bill eliminates provisions in Minn. Stat. §§ 260B.198, subd. 1 and 260B.225, subd. 9 that authorize the court to impose a fine of up to \$1,000 in delinquency and juvenile traffic proceedings. The bill eliminates a provision in Minn. Stat. § 260B.235, subd. 4 authorizing the court to impose a fine of up to \$100 in juvenile petty proceedings.

Assumptions

It is assumed that the bill will not impact the number of filings in juvenile delinquency, juvenile traffic, and juvenile petty offender cases, because it does not redefine any offenses or create new offenses. It is assumed the court will not be responsible for creation of any restorative process programs. It is assumed that the court will not take on any additional compliance monitoring functions as a result of this bill.

The bill does not include an effective date so it is anticipated that this bill would go into effect on August 1, 2024.

Expenditure and/or Revenue Formula

Based on judicial branch financial data from the past five fiscal years (FY2019 - FY2023), a total of at least \$1,310,302.67 was paid in fines for juvenile delinquency, juvenile traffic, and juvenile petty offense cases during that time. That equates to an annual fiscal-year average of approximately \$262,060.53. (1,310,302.67 / 5 = 262,060.534)

Most fines collected in juvenile court cases are credited to the state general fund. See Minn. Stat. §§ 574.34; 484.841; 484.85; 484.90. However, there are some provisions of Minnesota law that authorize disbursements of fines paid in juvenile court cases to treasury funds/accounts other than the state general fund (collectively referred to here as “exception circumstances”).

These exception circumstances include:

Sheriff’s Contingency Fund*, Minn. Stat. § 387.213 (25% of fines for certain violations go to this fund)

Fish and Wildlife (or “Game and Fish Fund”), Minn. Stat. § 97A.065 (50% to fish and wildlife; 50% to the general fund);

Seatbelt Fines, Minn. Stat. § 169.686 (funds to a special account);

Child Restraint, Minn. Stat. § 169.685 (funds to a special account);

State Patrol, Minn. Stat. § 299D.03, subd. 5(a) (3/8ths to the general fund; 5/8ths distributed as further detailed in the statute); and

Overweight Vehicle Fines, Minn. Stat. § 299D.03, subd. 5(b) (5/8ths to state highway user tax distribution fund; 3/8ths to the general fund).

Total financial distributions by the judicial branch in accordance with the above-listed exception circumstances include fines collected from adult criminal cases as well as some juvenile court cases. It was not possible to distinguish seat belt fines or child restraint fines paid in juvenile court cases from those paid in adult criminal/traffic cases with any precision. Therefore, no data is listed below for those two exception circumstances.

Based on judicial branch financial data from the last five fiscal years (FY2019 FY2023), the following is the annual average financial distribution from juvenile court case fines:

General Juvenile Fines (paid to general fund): \$227,783.01

Sheriff’s Contingency Fund*: \$8,878.07

Fish and Wildlife (DNR portion): \$2,303.15

Fish and Wildlife (general fund portion): \$2,303.15

State Patrol Fines (State Patrol portion**): \$12,995.72

State Patrol Fines (general fund portion): \$7,797.43

Overweight Vehicle Fines: \$0.00

* Sheriff’s Contingency Fund was considered a local fiscal impact below but is included here to avoid duplicate explanations.

**See statute for specific details on how this money is allocated

The anticipated fiscal impact of this bill would be an annual loss of \$237,883.59 to the state general fund in fines collected from juvenile court cases. This total was reached by adding the average annual amount distributed from general juvenile fines to the general fund portions of the State Patrol Fines and Fish and Wildlife exception circumstances. (\$227,783.01

+ \$7,797.43 + \$2,303.15 = \$237,883.59)

Note: The financial impact to the general fund for FY2025 is limited to 11 months (August 2024 June 2025), which would be a loss of \$218,059.93. (\$237,883.59 / 12 = \$19,823.63 average per month; \$19,823.63 * 11 months = \$218,059.93)

The fiscal impact to other funds (i.e. exception circumstances) would be as follows:

Sheriff’s Contingency Fund: \$8,878.07 annually; \$8,138.24 for FY 2025

Fish and Wildlife: \$2,303.15 annually; \$2,111.23 for FY 2025

State Patrol Fines: \$12,995.72 annually; \$11,912.78 for FY 2025

The FY 2025 fiscal impact for these exception circumstances was calculated using the same method that was used to calculate the FY 2025 impact to the general fund (dividing the average annual amount by 12, then multiplying by 11).

Long-Term Fiscal Considerations

Loss of revenue would be permanent.

Local Fiscal Impact

The Sheriff's Contingency Fund appears to go to counties, pursuant to Minn. Stat. § 387.213. However, the statute states that at the end of the fiscal year any money in the fund in excess of \$5,000 shall be transferred to the general fund.

The potential local fiscal impact to the Sheriff's Contingency Fund is an annual loss of \$8,878.07. The fiscal impact for 2025 would be a loss of \$8,138.24 (Based on dividing the average annual amount by 12, then multiplying by 11).

References/Sources

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Chief Author: **Sandra Feist**
 Committee: **Judiciary Finance And Civil Law**
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 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 3/8/2024 2:01:26 PM
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State Cost (Savings) Calculation Details

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Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

HF3991 creates a restorative practices restitution program in the Office of Restorative Practices.

Assumptions

House File 3991 has no fiscal impact for DPS-Office of Justice Programs. It allows a child violating a state or local law or ordinance to participate in a restorative process to satisfy restitution obligation. In addition, it expands the Office of Restorative Practices' grant-making authority to provide restitution funds to victims of a juvenile offense, petty juvenile offense, or major traffic offense, but does not appropriate additional funds for this purpose.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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