

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number HB42

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Reese

3. Committee Courts of Justice

4. Title Retention of records in general district court.

5. Summary/Purpose: Extends the record retention requirements and streamlines the time limitations on enforcing judgments rendered in general district court by providing that where the judgment is docketed in the circuit court, the district court shall, upon petition by a party prior to the expiration of 10 years from the date of judgment and proof of the circuit court docketing, retain the case records for 20 years and extend the limitation on enforcement from 10 years to 20 years.

6. Fiscal Impact Estimates are: Preliminary, See line 8.

7. Budget amendment necessary: Yes, Item 35

8. Fiscal implications: According to the Supreme Court, the exact impact of this legislation cannot be determined. However, the impact could be significant. Although circuit court facilities for the storage of records are planned, constructed and staffed with the expectation that they will encounter such proceedings for the extension of judgments, general district courts are not. Therefore, this legislation promises to have a large fiscal impact on both the district court system at a statewide level and upon localities.

Currently, civil case papers are kept for 10 years in general district court and then destroyed. If judgments can be enforced in general district court for 20 years, then the cases for those plaintiffs who seek this extended period of enforcement will have to be retained for an additional 10 years.

The fiscal impact of this legislation is two-fold. The first impact is due to the new tasks performed by district court clerks in processing these requests for an extension of the enforcement period and differentiating between the two retention periods for their records.

Approximately 960,000 civil cases are concluded each year in general district court. While not every successful plaintiff will seek that extended period of enforcement, experience suggests that a healthy percentage will do so. If plaintiffs in only 25% of the cases seek that extended period, the annual statewide fiscal impact to the district court system is estimated to be \$195,120.

The second component of the fiscal impact could be more significant, although the exact figure cannot be precisely determined. Because the current facilities for housing the operations of the

general district court clerk's offices have been constructed with the expectation that case papers will be retained for only 10 years, additional storage equipment and facilities will be required. These costs would be the responsibility of the localities.

9. Specific agency or political subdivisions affected: Court System, localities.

10. Technical amendment necessary: No

11. Other comments: None

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