



State Fiscal Note for Bill Number: 2022-H-7342

Date of State Budget Office Approval: Tuesday, May 24, 2022

Date Requested: Thursday, May 12, 2022

Date Due: Sunday, May 22, 2022

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2022	N/A	FY 2022	\$0
FY 2023	N/A	FY 2023	(\$303,477)
FY 2024	N/A	FY 2024	(\$303,477)

Explanation by State Budget Office:

This bill would increase the portion of the fees collected in Superior Court, District Court, and Family Court that are forwarded to Rhode Island Legal Services. In Superior Court, \$20 rather than the current \$10 of the \$160 fee for the entry of every civil action or petition would be forwarded to RILS. In District Court, \$10 rather than the current \$5 of the \$55 fee for the entry of every small claim, of the \$80 fee for the entry of every other action, and of the \$20 fee for every writ of execution would be forwarded to RILS. In Family Court, \$20 rather than the current \$10 of the \$120 fee for the entry of every petition, complaint, or action would be forwarded to RILS.

Comments on Sources of Funds:

These fees are deposited as general revenue except for the portion that is directly forwarded to Rhode Island Legal Services.

Summary of Facts and Assumptions:

Rhode Island Legal Services is a non-profit corporation that focuses on providing legal services for low-income clients with civil legal issues. It is funded in part through fees collected for civil actions in Superior, District, and Family Courts (the remainder of those fees are deposited as general revenue).

This bill would not change the overall fees, just the portion that is forwarded to RILS, which results in a corresponding decrease in general revenue collections. The Budget Office assumes that as the portion of the fees earmarked for RILS would double in all cases that a reasonable estimate would double the funding sent to RILS under the current fee structure.

In FY 2020 and FY 2021, an average of \$303,477 was sent to RILS per year. In Superior Court an average of \$103,608 was sent to RILS per year – this represents 10,483 cases at an average of \$9.88 per case (this is less than \$10 due to court waivers for indigency and other factors). In District Court an average of \$151,658 was sent to RILS per year – this represents 28,061 cases at an average of \$5.40 per case (this is greater than \$5 because the average is greater than one transaction per case). In Family Court an average of \$48,211 was sent to RILS per year – this represents 4,754 cases at an average of \$10.14 per case (this is greater than \$10 because the average is greater than one transaction per case).

Therefore, the Budget Office assumes that an additional \$303,477 per year would be forwarded to Rhode Island Legal Services, with a corresponding decrease in general revenue collections. This bill would take effect upon passage and the Budget Office assumes that there will be no effects until FY 2023.

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Summary of Fiscal Impact:

The Budget Office estimates a decrease in general revenue collections of \$303,477 per year beginning in FY 2023.

Budget Office Signature:



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Date: 2022.05.24 11:17:21 -04'00'

Fiscal Advisor Signature:

