

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 171 – SB 604

May 6, 2011

SUMMARY OF AMENDMENT (006312): Expands the list of items subject to judicial forfeiture to include aircraft, motor vehicle and other vessel conveyances; books, records, telecommunication equipment, or computers; money or weapons; real property; all proceeds traceable to the exchange; and any real or personal property used in the commission of involuntary labor servitude, human trafficking for forced labor, or human trafficking for sexual servitude offenses. Establishes a priority schedule for payments of forfeiture proceeds with the reasonable expenses of the forfeiture proceeding paid first followed by distribution to participating law enforcement, the District Attorney General Conference (DAGC), and the court clerk. Creates the Anti-human Trafficking Fund with the remainder of the proceeds and directs the General Assembly to appropriate money from the Fund to the Department of Finance and Administration (F&A) for grants to not-for-profit agencies or tax-exempt groups that provided services to human trafficking victims at least six months prior to the application for funds.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

- Revising the percentage of proceeds from forfeitures, from 10 to 20 percent, that are transmitted to the appropriate law enforcement agencies and the District Attorney will not have a significant fiscal impact.
- According to the Administrative Office of the Courts, there were two convictions of human trafficking for sexual servitude in 2008. There have been no convictions for either involuntary labor servitude or human trafficking for forced labor.
- Based on the small number of convictions reported during the past three years, the number of forfeiture cases will have a minimal impact on the caseloads of the state trial and appellate courts and on the DAGC. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.

- Some increase in state and local revenue due to the potential for more property to be sold as a result of this legislation. Although many of the listed items could potentially result in significant revenue, any increase is estimated to be not significant due to the minimal number of convictions.
- Any increase to local governments to transmit the funds to the appropriate agencies will result in a not significant increase in local expenditures.
- There will not be a significant fiscal impact to F&A to reallocate the funds as required by this bill or to promulgate rules and regulations for the distribution and use of the grant funds.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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