

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 354 - SB 1052

March 14, 2013

**SUMMARY OF BILL:** Enhances the offense of preparing, signing, or filing a property transfer document when the person has no interest in the property from a Class A misdemeanor to a Class E felony.

Enhances the offense of preparing, signing, or filing a lien against property to encumber property when such person has no reasonable basis or any legal cause to place such lien or encumbrance on such real or personal property from a Class A misdemeanor to a Class E felony.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$11,300/Incarceration\***

Assumptions:

- According to the Department of Correction (DOC), it is assumed that the bill would result in one admission every five years for preparing, signing, or filing a property transfer document when the person has no interest in the property, and one admission every five years for preparing, signing, or filing a lien against property to encumber property when such person has no reasonable basis or any legal cause to place such lien or encumbrance on such real or personal property.
- According to the Department of Correction (DOC), the average operating cost per offender per day for calendar year 2013 is \$64.17.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. Population growth will not affect the fiscal impact of this legislation.
- A recidivism discount of 33.75 percent applies, but due to the low number of aggravated child neglect admissions added by this legislation, the recidivism discount does not impact the incarceration cost for aggravated child neglect under the proposed legislation.
- The average time served for a Class E felony is 1.21 years.
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on two offenders every five years serving an additional 1.21 years (441.95 days) for a total of \$5,672 [(\$64.17 x 441.95 days) / 5]. The cost for two offenders is \$11,344 (\$5,672 x 2).

- The bill would not increase the number of convictions. It only enhances two current offenses. It is assumed that the courts, district attorneys, and public defenders can accommodate any impact to their caseloads within existing resources.

*\*Tennessee Code Annotated § 9-4-210 requires an appropriation from recurring revenues for the estimated operation cost of any law enacted after July 1, 1986 that results in a net increase in periods of imprisonment in state facilities. The amount appropriated shall be based upon the highest cost of the next 10 years.*

**CERTIFICATION:**

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



Lucian D. Geise, Executive Director

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