

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1716 - HB 2158

February 6, 2014

SUMMARY OF BILL: Creates two new felony offenses—pharmacy robbery and aggravated pharmacy robbery. One commits pharmacy robbery if he commits robbery of a pharmacy for the purpose of obtaining or attempting to obtain a controlled substance. Pharmacy robbery becomes aggravated pharmacy robbery if the defendant employs, uses, or displays a deadly weapon or someone other than the defendant suffers serious bodily injury resulting from the robbery or attempted robbery.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$1,402,600/Incarceration*

Assumptions:

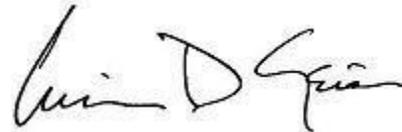
- The proposed legislation creates a new Class B felony for pharmacy robbery and a new Class A felony for aggravated robbery of a pharmacy.
- According to the Tennessee Bureau of Investigation's 2008, 2009, 2010, 2011, and 2012 Crime in Tennessee Reports (http://www.tbi.state.tn.us/tn_crime_stats/stats_analys.shtml), an average of 1.28 percent of robberies in Tennessee occur within a medical facility.
- According to the Department of Correction (DOC), there has been an average of 465.7 admissions for robbery each year for the past 10 years. The proposed legislation will result in six robbery admissions ($465.7 \times 0.0128 = 5.96$) each year being enhanced from a Class C felony to a Class B felony.
- 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 account for one ($6 \times .1178$) additional admissions for a total of seven ($6 + 1$).
- The average time served for a Class C felony is 2.98 years. The average time served for a Class B felony is 5.6 years. The proposed legislation will result in each offender serving an additional 2.62 years ($5.6 - 2.98$).
- According to the DOC, 48.29 percent of offenders will re-offend within three years of their release. A recidivism discount of 48.29 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this bill. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law ($7 \text{ offenders} \times .4829 = 3 \text{ offenders}$).

- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on four offenders [7 offenders – 3 (recidivism discount)] serving an additional 2.62 years (956.96 days) for a total of \$63,436.88 (\$66.29 x 956.96 days). The cost for four offenders is \$253,747.52 (\$63,436.88 x 4).
- According to the DOC, there has been an average of 652.6 admissions for aggravated robbery each year for the past 10 years. The proposed legislation will result in eight aggravated robbery admissions (652.6 x 0.0128 = 8.35) each year being enhanced from a Class B felony to a Class A felony.
- 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 account for one (8 x .1178) additional admissions for a total of nine (8 + 1).
- The average time served for a Class B felony is 5.6 years. The average time served for a Class A felony is 15.09 years. The proposed legislation will result in each offender serving an additional 9.49 years (15.09 – 5.6).
- According to the DOC, 48.29 percent of offenders will re-offend within three years of their release. A recidivism discount of 48.29 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this bill. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law (9 offenders x .4829 = 4 offenders).
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on five offenders [9 offenders – 4 (recidivism discount)] serving an additional 9.49 years (3,466.22 days) for a total of \$229,775.72 (\$66.29 x 3,466.22 days). The cost for five offenders is \$1,148,878.60 (\$229,775.72 x 5).
- The total increase in state expenditures is \$1,402,626.12 (\$253,747.52 + \$1,148,878.60).
- The pharmacy robbery and aggravated pharmacy robbery felony cases created by the proposed legislation will be offset by a reduction in robbery and aggravated robbery felony cases currently being prosecuted. It is assumed that any impact to the courts, district attorneys, and public defenders can be accommodated 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

/trm