

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1455 - SB 2244

February 15, 2016

SUMMARY OF BILL: Creates a new Class E felony for knowingly possessing, using, or controlling a vehicle with a compartment designed to hide contraband with the intent of storing, concealing, or transporting contraband in the compartment.

Creates a new Class C felony for knowingly facilitating the storage, concealment, or transportation of contraband by designing, building, installing, or attaching such a compartment in a vehicle for contraband.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$377,500/Incarceration*

Assumptions:

- The bill, as drafted, is substantially similar to a law passed in Utah in 2008. However, Fiscal Review could not find any relevant data on the number of persons convicted under the statute in that state.
- Transporting contraband via hidden compartments in vehicles is cited as a growing problem in the United States in: Todd F. Prough & Robert Veiga, *Investigation and Prosecuting Hidden-Compartment Cases*, FBI LAW ENFORCEMENT BULLETIN (Oct. 2010), <https://leb.fbi.gov/2010/october/investigating-and-prosecuting-hidden-compartment-cases>.
- It is assumed that the bill will result in five additional Class E felony admissions and two additional Class C felony admissions each year.
- According to the Department of Correction (DOC), the average operating cost per offender per day for calendar year 2016 is \$67.73.
- 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 (5 x .1178) additional Class E felony admission for a total of six (5 + 1).
- The average time served for a Class E felony is 1.47 years, or 536.92 days.
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on six offenders serving 1.47 years (536.92 days) for a total of \$36,365.59 (\$67.73 x 536.92 days). The cost for six offenders is \$218,193.55 (\$36,365.59 x 6).

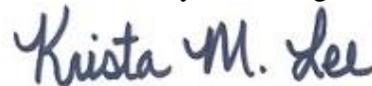
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- Population growth will not affect the Class C felony admissions due to the low number added by the bill. A recidivism discount does not apply because these are new offenses.
- The average time served for a Class C felony is 3.22 years, or 1,176.11 days.
- The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on two offenders serving 3.22 years (1,176.11 days) for a total of \$79,657.93 (\$67.73 x 1,176.11 days). The cost for two offenders is \$159,315.86 (\$79,657.93 x 2).
- The total recurring increase in state incarceration costs is estimated to be \$377,509.41 (\$218,193.55 + \$159,315.86).
- The bill will create eight new felony cases per year. It is assumed that the courts, district attorneys, and public defenders can handle the impact within their existing resources.

*Tennessee Code Annotated, Section 9-4-210, requires that: *For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues 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.



Krista M. Lee, Executive Director

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