

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 355 – HB 284

March 16, 2015

SUMMARY OF BILL: Requires law enforcement agencies to restore a vehicle to its original condition if (1) no item subject to seizure is found and no charge is brought against the driver or passenger, (2) a seizure is made, but no charge is brought against the driver or passenger, and the petition for forfeiture warrant is denied, or (3) a seizure is made, no charge is brought against the driver or passenger, and the petition for a forfeiture warrant is granted, but the hearing officer determines that the applicable agency failed to carry its burden of proof.

ESTIMATED FISCAL IMPACT:

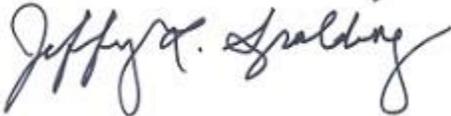
**Increase State Expenditures – \$34,200/One-Time
\$831,200/Recurring**

Assumptions:

- The Department of Safety estimates there will be on average 8,000 seizures per year by state and local government law enforcement officials, five percent of which (or 400) will be damaged in the search for evidence, but none will be found.
- The average cost of repair damage is estimated to be \$1,000 per damaged vehicle.
- The recurring increase in expenditures to repair such vehicles is estimated to be \$400,000 (400 x \$1,000).
- Pursuant to Tenn. Code Ann. § 40-33-202(1), the term “applicable agency” is defined as the agency, board, commission or department charged by law or permitted by agreement with conducting the forfeiture proceeding for the particular property seized.
- Given the overwhelming majority of seizures and forfeitures involve possible drug offenses regulated under the Drug Control Act, and the Department of Safety is the “applicable agency” relative to the Drug Control Act, the department interprets this bill to result in all costs being incurred by the department regardless of the law enforcement entity responsible for causing the damage to any such vehicle. Therefore, the recurring increase in state expenditures is estimated to be \$400,000 per year.
- According to the Department of Safety, the department will require additional resources in order to verify and process claims from across the state. As a result, the department would need to hire three additional attorney positions. The recurring increase in state expenditures for these positions is estimated to be \$431,200; the one-time increase in state expenditures for these positions is estimated to be \$34,200.
- The total recurring increase in state expenditures is estimated to be \$831,200 (\$400,000 + \$431,200).

CERTIFICATION:

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



Jeffrey L. Spalding, Executive Director

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