

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1133 - SB 1474

April 4, 2019

SUMMARY OF BILL: Requires certain court hearings to be audio recorded and maintained for a period of three years. Establishes fees which can be charged by court clerks for copies of such recordings. Requires the Administrative Office of the Courts (AOC) to provide blank electronic media to court clerks in certain circumstances.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Exceeds \$216,600/Recurring

**Increase State Expenditures – Exceeds \$400,000/One-Time
Exceeds \$25,300/Recurring**

Increase Local Revenue – Exceeds \$649,700/Recurring

**Increase Local Expenditures – Exceeds \$600,000/One-Time*
Exceeds \$40,000/Recurring***

Assumptions:

- The proposed legislation:
 - Requires court clerks within Chancery, Circuit, General Sessions, and special courts to audio record all civil matters except ex parte hearings;
 - Requires court clerks to maintain original copies of the audio recordings for a period of three years;
 - Authorizes court clerks to charge \$50 for providing an initial copy of audio recordings to an involved party. Clerks may charge \$100 for each subsequent copy of the recording;
 - Authorizes the court to maintain all fee revenue collected from providing copies of audio recordings; and
 - Requires the AOC to provide blank electronic media to court clerks when needed to provide a copy of an audio recording for an indigent person.
- This analysis assumes:
 - There will be one-time costs associated with installation of audio recording equipment and storage of recordings;

- There will be recurring costs associated with maintenance of recording software and supplies; and
- Expenditures associated with Chancery and Circuit courts will be borne by the state, while local governments will be responsible for costs associated with General Sessions and special courts.
- Based on information provided by local courts and the AOC, costs associated with installation of audio recording equipment and storage are estimated to exceed \$8,000 per court room installation.
- Court buildings can contain more than one court room which will require audio equipment. A precise number of court rooms lacking audio recording equipment is unknown.
- Installation of audio recording equipment and adequate storage for recordings is estimated to result in a one-time increase in state expenditures exceeding \$400,000 and a mandatory one-time increase in local expenditures exceeding \$600,000 statewide.
- Recurring costs for software maintenance, upgrades, and supplies are estimated to exceed \$500 per year, per installation, resulting in a recurring increase in state expenditures exceeding \$25,000 and a mandatory recurring increase in local expenditures exceeding \$40,000 statewide.
- According to the AOC, there were 113,231 civil cases heard in state trial courts having civil jurisdiction in FY16-17. The proposed legislation applies to civil hearings which are not ex parte.
- This analysis assumes:
 - Only 10 percent of civil cases are heard at the state court level. As a result it is estimated that there is an average of 1,132,310 (113,231 / 10%) civil cases heard statewide annually;
 - Approximately 10 percent of civil cases heard statewide will be ex parte and not recorded, resulting in 1,019,079 (1,132,310 – 113,231) civil cases which will be recorded;
 - Civil cases will have a minimum of two parties involved, resulting in at least 2,038,158 parties which may request a copy of audio recordings;
 - Approximately 1 percent, or 20,382, of the total parties involved in a civil proceeding will request one copy of audio recordings;
 - Approximately 15 percent, or 3,057 (20,382 total x 15%), of the parties requesting copies of a civil proceeding will be deemed indigent; and
 - Approximately 25 percent, or 4,331 [(20,382 total – 3,057 indigent) x 25%], of non-indigent parties requesting copies of a civil proceeding will be requested within a state court.
- The proposed legislation requires the AOC to provide blank electronic media to courts to provide indigent parties with copies of audio recordings when requested. Blank electronic media is estimated to cost \$0.10 each, resulting in a recurring increase in state expenditures of \$305 (3,057 indigent parties x \$0.10) annually.
- Clerks of court are authorized to charge a \$50 fee for an initial copy of an audio recording and \$100 for each subsequent copy requested. Parties will only request an initial copy of the recording.
- Fees assessed for copies will result in a recurring increase in state revenue estimated to be \$216,550 (4,331 state court non-indigent parties x \$50) and a recurring increase in

local revenue estimated to be \$649,700 [(20,382 total – 3,057 indigent - 4,331 state) x \$50] statewide.

- The total recurring increase in state expenditures is estimated to exceed \$25,305 (\$25,000 software updates + \$305 blank media provisions).

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

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



Krista Lee Carsner, Executive Director

/jrh