

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2467 - HB 2822

March 16, 2020

**SUMMARY OF BILL:** Requires fees against those convicted of the following offenses to be remitted to the General Fund, rather than the TBI fund:

- Controlled substances, controlled substance analogues, narcotic drugs;
- Driving a motor vehicle, or operating a boat while under the influence of intoxicants and/or drugs;
- Certification of criminal histories and records; and
- Upon the forfeiture of a cash bond or other surety entered as a result of a municipal traffic citation

Requires fees paid by a defendant requesting pretrial diversion be deposited in the General Fund. Reverts all money in the TBI Pretrial Diversion Fund to the General Fund. Requires the state portion of the annual fee paid to the Sexual Offender and Violent Sexual Offender Registry to be deposited in the General Fund.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue –**

**\$3,887,100/FY20-21/General Fund**

**\$2,832,900/FY21-22 and Subsequent Years/General Fund**

**Decrease State Revenue -**

**\$3,887,100/FY20-21/TBI**

**\$2,832,900/FY21-22 and Subsequent Years/TBI**

**The Governor’s proposed budget document for FY20-21 (page B-214) includes recurring funding of \$3,958,200 to the TBI.**

Assumptions:

- The Governor’s FY20-12 proposed budget document (page B-214) includes \$3,958,200 in recurring funds for TBI to provide for a change in funding source from dedicated state to General Fund state dollars.
- Pursuant to Tenn. Code Ann. § 38-6-103(d), certain convictions result in a cost to the charged, which after deducting five percent as compensation when applicable, is remitted from the court clerks to the TBI.
- Under this legislation, this will instead be remitted to the General Fund.
- According to the 2019 *Senate Finance, Ways, & Means 2019 Budget Questions*, the TBI collected \$1,448,403 in fee revenue from this section of code.

- Assuming this figure to remain relatively constant, there will be a decrease in state revenue to the TBI and a corresponding increase in state revenue to the General Fund of \$1,448,403 in FY20-21 and subsequent years.
- Pursuant to Tenn. Code Ann. § 38-6-118(e), upon a defendant's request for pretrial diversion, the defendant shall pay a fee of \$100 to the TBI.
- Based on information provided by the TBI, the average revenue collected from this fee in the last three years is \$998,833. This rate is assumed to remain relatively consistent.
- Therefore, there will be a decrease in state revenue to the TBI and a corresponding increase in state revenue to the General Fund of \$998,833 in FY20-21 and subsequent years.
- Pursuant to Tenn. Code Ann. § 40-39-201, a sex offender is subject to specified terms and conditions that are implemented at sentencing or, at the time of release from incarceration, that require that those who are financially able to pay specified administrative costs to the appropriate registering agency, which shall retain \$100 of these costs and shall reserve the remaining \$50 of fees to be remitted to the TBI.
- In FY19-20, the TBI collected \$385,708 in Sexual Offender and Violent Sexual Offender Registry fees. This figure is assumed to remain constant.
- Therefore, there will be a decrease in state revenue to the TBI and a corresponding increase in state revenue to the General Fund of \$385,708 in FY20-21 and subsequent years.
- The TBI's pretrial diversion fund currently amounts to \$1,054,200, which would be reverted to the General Fund under this legislation.
- The total decrease in state revenue to the TBI and the corresponding increase in state revenue to the General Fund is \$3,887,144 ( $\$1,448,403 + \$998,833 + \$385,708 + \$1,054,200$ ) in FY20-21.
- The recurring decrease in state revenue to the TBI and the corresponding increase in state revenue to the General Fund is \$2,832,944 ( $\$1,448,403 + \$998,833 + \$385,708$ ) in FY21-22 and subsequent years.
- This legislation is not expected to impact to the local collection and retaining of these fees; therefore, there is not a significant impact to local government revenue.

## **CERTIFICATION:**

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



Krista Lee Carsner, Executive Director

/jmg