

South Carolina Board of Economic Advisors: Statement of Estimated State Revenue Impact

Date: March 29, 2010 (typo corrected 03/30/10) **Bill Number:** S.B.1154 (As amended by Senate 03/25/10)

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Committee Requesting Impact: Senate Judiciary

Bill Summary: A bill to enact The Omnibus Crime Reduction and Sentencing Reform Act of 2010, relating to criminal offenses, corrections, probation, and parole provisions, so as to... enact recommendations proposed by the Sentencing Reform Commission Report of February 2010...**(as amended, truncated for space)**

REVENUE IMPACT^{1/}

This bill, as amended, is expected to raise state General Fund revenue for court fines by \$220,053 in FY' 11 and by \$879,980 in FY' 12. It also would raise revenues earmarked for other state agencies and programs by a total of \$3,746,612 in FY' 11 and by \$10,308,375 in FY' 12. Further, it would raise local revenues by \$1,759,682 in FY' 11 and by \$7,038,333 in FY' 12.

Explanation: Part I, Criminal Offenses Provisions: Jurisdictional limits are raised for certain cases triable in magistrate and municipal courts with the level of fine, usually for a lower level offense, being doubled to coincide with a higher monetary amount or severity of offense, as may be applicable. We expect these provisions will raise respective court fines and accompanying court assessments by a total of \$3,273,416 in FY' 11, prorated at \$1,513,734, state allocation, and \$1,759,682, local allocation. For the full year in FY' 12 a total of \$13,092,731 is expected, prorated at \$6,054,398, state; \$7,038,133, local.

Sections 15 and 18: Establish programs to clear reinstatement fees due to DMV over a six-month period for certain driver license suspensions, to include a new \$35 administrative fee and installment payment plan, a route-restricted driver's license at a fee of \$100, and an annual Amnesty Week period. These programs are expected to raise earmarked revenue of respective agencies by a total of \$1,857,751 in FY' 11 and by \$3,715,502 in FY' 12. Distributions are as follows: FY' 11: DMV, \$1,233,989; DOT, \$344,279; DOI, \$279,483, and FY' 12: DMV, \$2,467,978; DOT, \$688,558; DOI, \$558,966. No proceeds apply to General Fund revenue. Additionally, pursuant to the Home Detention Act, persons convicted of a third or subsequent offense for driving with no license, as applicable, must pay the full monthly cost to be monitored. This cost could apply to 500 people in the initial year. Since oversight responsibility could be provided by Probation, Pardon and Parole (PPP) and/or local law enforcement, with varying costs, the revenue impact and its allocation are to be determined.

Section 36: The additional court surcharge on misdemeanor/felony drug offense convictions is raised from \$100 to \$150. Proceeds go to Prosecution Coordination Commission (PCC) earmarked funds for allotment to judicial circuits for drug treatment programs only. The extra \$50 per surcharge is expected to raise PCC earmarked revenue by a total of \$160,000 in FY' 11 and by \$640,000 in FY' 12.

Section 41: Certain convicted drug offenders completing a rehabilitation program and fulfilling other conditions shall have an adjudication of guilt upon payment of a conditional discharge fee to respective court as follows: \$150 to a summary court; \$350 to general sessions court. The fee may be waived in whole or part in cases of indigency. All fee proceeds are allocated to PCC for subsequent apportionment among sixteen judicial circuits for exclusive use for drug treatment court programs. We expect approximately 1,500 cases would be discharged annually. The yield from combined fees is estimated to total \$327,000 in FY' 11 and also in FY' 12, which nearly offsets the loss of up to \$400,000 in fine, assessment and surcharge revenue annually as a result of cases being dismissed.

Probation, Pardon and Parole (PPP): Sections 32, 38, 49 and 53 of Parts I and II:

Except for supervision fee revenues that are capped at \$3.3 million to the state General Fund, the bulk of community correction and other supervision fees are allocated as earmarked revenue. These bill sections include provisions for sentencing and parole that change or enhance supervision programs applicable to the Youthful Offender Act, reentry supervision, and certain drug offenders. Also, a new monitoring program requires a \$10 monthly administrative monitoring fee. In consideration of need to hire personnel, set regulations and start up these new programs, we expect collections to apply to no more than four months in the initial year. As such, the combined yield for respective fees is expected to raise PPP earmarked funds by a total of \$508,180, for a partial year in FY' 11, and \$851,455 for a full year in FY' 12.

/s/ William C. Gillespie

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^{1/} This statement meets revenue impact requirements of Section 2-7-71 for a state impact by BEA, Section 2-7-76 for a local impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by Office of Economic Research (OER).