

Fiscal Services Division
Legislative Services Agency
Fiscal Note

HF 682 – Crime Lab Surcharge and Deferred Judgment, Civil Penalty (LSB 2604 HV.1)
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Fiscal Note Version – As amended by S-3103

Description

House File 682, as amended by S-3103, increases the criminal penalty surcharge from 30.0% to 32.0% and creates a Criminalistics Laboratory Fund to purchase or fund equipment, maintenance, depreciation, and training. House File 682, as amended by S-3103, also relates to the assessment of a civil penalty upon the entry of a deferred judgment.

Background

1. In calendar year 2004, \$47.1 million in State fines and forfeited bail were imposed and \$9.0 million in county and local government fines were imposed. The total revenue for calendar year 2004 was \$56.1 million. Parking violation revenue is not included in the estimate.
2. The cumulative collection rate for scheduled traffic fines in year one is 71.5%, year two is 81.2%, and year three and ongoing years is 93.8%. The cumulative collection rate for non-scheduled traffic fines in year one is 27.3%, year two is 31.0%, and year three and ongoing years is 36.0%. (Non-scheduled traffic violations require a court appearance whereas scheduled traffic violations do not require a court appearance.)
3. The 32.0% Criminal Surcharge will become effective July 1, 2005.
4. Under current law, of the revenue received from the 30.0% criminal surcharge, the State share is 95.0% and the counties/local governments receive 5.0%. Of the 95.0% State share, 18.0% is distributed to the Victim Compensation Fund and 82.0% is deposited in the General Fund.
5. In calendar year 2004, there were 1,496 felony convictions which received a deferred judgment, as well as 1,055 aggravated misdemeanors, 6,197 serious misdemeanors, and 1,623 simple misdemeanors which received a deferred judgment.
6. Pursuant to the Bill, the judge may impose a civil penalty fine on a deferred judgment.

Assumptions

1. A lag effect of six months is assumed from the law's effective date. An additional lag is assumed on the first full year of collection since the surcharge is a mixture of citations, felonies, and misdemeanors. The first full year of collection does not occur until the fourth year due to the lag applied in year one, the application of a three-year collection rate, and the case processing time of non-scheduled traffic violations.
2. The one-time cost for the Judicial Branch to program a new financial code in the Iowa Court Information System is approximately \$5,000.
3. Under the Bill, of the revenue received from the 32.0% criminal surcharge, the State's share is 95.0% and the counties/local governments receive 5.0%. Of the 95.0% State share, 17.0% is distributed to the Victim Compensation Fund and 83.0% is deposited in the General Fund.
4. House File 682, as amended by S-3103, adds a non-reversionary Criminalistics Laboratory Fund to the language in Section 602.8108(3), Code of Iowa. Receipts in this Fund consist of General Fund appropriations and interest earned.
5. The Victim Compensation Fund would receive approximately the same amount of funding under the 32.0% surcharge at a rate of 17.0% as it currently does under the 30.0% surcharge at a rate of 18.0%. The Victim Compensation Fund currently receives

approximately \$1.6 million, and under the Bill, the Victim Compensation Fund is estimated to receive an increase of \$12,000 in FY 2009.

6. The estimated cost for crime lab instruments is \$523,000 annually or \$2.6 million over five years. The estimated cost for repair, replacement, and updating of lab equipment is \$129,000 annually or \$645,000 over five years. The ongoing yearly cost for equipment and training is estimated to be \$220,000. The estimated cost for maintenance agreements is \$150,000 annually.
7. The average fine amounts for the civil penalty on a deferred judgment are as follows: \$100 for a simple misdemeanor, \$350 for a serious misdemeanor, \$500 for an aggravated misdemeanor, and \$950 for a felony.
8. The collection rate for the first year is 25.0%. At the end of two years, the total amount collected would be 45.0% of the original fine.
9. House File 682, as amended by S-3103, may result in an additional five to eight minutes for clerk processing time per case at an estimated total cost of \$9,000 a year.
10. House File 682, as amended by S-3103, may result in more trials because defendants may have less incentive to plead guilty and take a deferred judgment. House File 682, as amended by S-3103, is estimated to result in 65 additional trials a year (5.0%) at the District Court level and 195 additional trials a year (5.0%) at the District Associate Judge level. Each trial is estimated to last approximately 30 minutes. This may add between \$4,000 and \$12,000 costs for additional trials.

Fiscal Impact

House File 682, as amended by S-3103, increases revenue to the General Fund, Victim Compensation Fund, and to county and local governments as well as increases revenue to the General Fund from the civil penalty on deferred judgments. The Bill also creates a new, non-reversionary fund within the Division of Criminal Investigation for the Crime Lab. The General Assembly has discretion over the amount appropriated to the Criminalistics Laboratory Fund. The chart below shows the anticipated increase in net revenue from HF 682 as amended by S-3103:

Estimated Net Revenues Generated From House File 682

	<u>FY 2006</u>	<u>FY 2007</u>
General Fund	\$ 504,000	\$ 777,000
Victim Compensation Fund	7,000	10,000
Local Governments	18,000	26,000

House File 682, as amended by S-3103, would have a minimal fiscal impact on the Judicial Branch regarding the civil penalty.

Sources

Department of Human Rights, Criminal and Juvenile Justice Planning Division (CJJP)
Judicial Branch
Department of Public Safety
State Public Defender

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
