

Department of Planning and Budget 2019 Fiscal Impact Statement

1. **Bill Number:** HB1799H1

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron:** Heretick

3. **Committee:** House Appropriations

4. **Title:** Interest on fines and costs in criminal cases and traffic infractions

5. **Summary:** The substitute bill provides any person who owes fines and costs on which interest has accrued may move any court in which he owes fines and costs to waive the interest that accrued on such fines and costs if indigent or for good cause shown. A person who owes fines and costs on which interest has accrued during a period of incarceration shall have such interest waived upon certification of the period of incarceration by the superintendent, sheriff, warden, or other official in charge of a correctional facility, or their designee.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Indeterminate (see Item 8)

8. **Fiscal Implications:** The substitute bill changes the parties who are able to certify periods of incarceration for the purpose of waiving interest. The bill adds that a person who owes fines and court costs on which interest has accrued may move any court in which he owes the fines and costs to waive the unpaid interest that accrued on such fines and costs on account of indigency or for other good cause.

The bill will have a fiscal impact on the state as well as localities. Interest on fines and costs imposed for violations of state code are deposited into the Literary Fund, and interest on fines and costs imposed for local violations are deposited with the locality. There is not sufficient data to estimate the number of individuals to whom this bill might apply in the future, therefore, the actual amount of lost interest cannot be quantified.

According to the Office of the Executive Secretary of the Supreme Court ("OES"), the following table shows the total unpaid interest which has accrued on fines and court costs as of January 8, 2019:

Total Unpaid Accrued Interest on Fines and Costs as of January 8, 2019			
	State Interest	Locality Interest	Total Interest
Circuit	\$89,587,532.00	\$7,747,016.20	\$97,334,548.20
General District	\$22,369,551.56	\$9,219,559.49	\$31,589,111.05
Juvenile & Domestic Relations	\$25,428,778.73	\$291,913.45	\$25,720,692.18
Total	\$137,385,862.29	\$17,258,489.14	\$154,644,351.43

Future impacts to state and local revenue may vary due to changes in the number of criminal violations and traffic offenses, and also in the interest rates that might have been earned.

As proposed in the introduced budget, all Literary Fund revenues are committed either to debt service payments on education technology bonds, payment of teacher retirement, or as loans for local school construction. The first impact of lost Literary Fund revenues would reduce the funds available for school construction loans; however, any significant reduction in revenues deposited to the Literary Fund may have to be replaced by an equal amount of general fund support for teacher retirement or debt service.

9. Specific Agency or Political Subdivisions Affected: Literary Fund, Department of Education, and localities

10. Technical Amendment Necessary: No

11. Other Comments: None