

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 11, 2009

TO: Honorable Pete Gallego, Chair, House Committee on Criminal Jurisprudence

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1529 by Whitmire (Relating to criminal asset forfeiture, the disposition of proceeds and property from criminal asset forfeiture, and accountability for that disposition; providing civil penalties.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Code of Criminal Procedure and provide that the State Auditor may conduct audits and investigations on forfeited proceeds by certain governmental entities and permits the Attorney General to file suit for injunctive relief or recover a civil penalty on violations of criminal asset forfeiture law. According to the Comptroller's office, depending on the number and amount of civil penalties collected, there would be an indeterminate amount of revenue to the state. However, the amount of revenue is not anticipated to be significant. The Office of the Attorney General and the State Auditor's Office indicate that costs associated with implementation of the bill could be absorbed within existing state resources.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

The bill would require all law enforcement agencies who receive proceeds or property from seizures to account for the specific expenditures in an audit on a form provided by the attorney general, including a detailed report and explanation of all expenditures, salaries and overtime pay, training, and equipment and supplies. The audit must be performed annually by the auditing entity of the commissioners court or the governing body of a municipality.

According to the Texas District and County Attorney's Association, and Harris and Ward counties, the fiscal impact is not anticipated to be significant, but would depend on the specifications of the form provided by the attorney general, and the financial reporting systems used by local entities.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 308 State Auditor's Office

LBB Staff: JOB, ESi, MS, JM, TP