

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 28, 2017

TO: Honorable Joe Moody, Chair, House Committee on Criminal Jurisprudence

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1364 by Thompson, Senfronia (Relating to repealing civil asset forfeiture provisions and establishing criminal asset forfeiture in this state.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1364, As Introduced: an impact of \$0 through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from Appropriated Receipts 666
2018	(\$1,167,000)
2019	(\$1,167,000)
2020	(\$1,167,000)
2021	(\$1,167,000)
2022	(\$1,167,000)

Fiscal Analysis

The bill would modify several codes to repeal sections concerning the forfeiture of seized assets and would establish new forfeiture procedures. The bill would allow a convicting court to order a person convicted of certain offenses to forfeit any property the person derived from the commission of the offense, or any instrumentality the person used in the commission of the

offense. The bill would also establish circumstances under which personal property and real property may be seized prior to conviction, and would set forth separate procedures for the civil forfeiture of certain assets without a conviction. The bill would require all forfeiture proceeds go to the county treasurer. If a conviction were overturned on appeal then the forfeited property would be returned to the defendant. The bill would address the rights of innocent owners and the circumstances under which property must be transferred to federal custody and would impose certain reporting obligations on law enforcement agencies.

The bill would take effect on September 1, 2017.

Methodology

The Department of Public Safety anticipates a decrease of an estimated \$1.2 million in state-seized funds in appropriated receipts each fiscal year based on the four-year average of state-seized awards to the agency from fiscal year 2012 through 2015. Pursuant to the bill, these awards would be directed to county treasurers. The revenue loss reflected in the table above each fiscal year is based on amounts included in the 2018-19 Comptroller's Biennial Revenue Estimate.

Local Government Impact

According to the San Antonio Police Department, the Department could lose up to an estimated \$200,000 in revenue because all proceeds would go to the county treasurer and awards would be post-conviction.

According to the Houston Police Department, no fiscal implication to the Department is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 405 Department of Public Safety

LBB Staff: UP, KJo, MW, GDz, JAW, JGA