



May 28, 2020

**SUMMARY OF ORIGINAL BILL:** Establishes the process for District Attorneys General to review civil asset forfeitures. Prohibits state and local law enforcement from relinquishing seized property to a federal agency for purpose of the property's forfeiture under the federal Controlled Substances Act. Prohibits state and local law enforcement from accepting payment from a joint task force or collaboration unless the aggregate net equity value of the property and currency seized in a case exceeds \$100,000, excluding contraband. Changes the required standard of proof for property forfeiture hearings and appeals.

**FISCAL IMPACT OF ORIGINAL BILL:**

Decrease State Revenue – Net Impact – \$662,800/Recurring/  
State Law Enforcement Agencies

Increase State Expenditures – \$36,800/One-Time/General Fund  
\$423,800/Recurring/General Fund

Decrease Local Revenue – Net Impact – \$2,355,300/Recurring

Other Fiscal Impact – The provisions of this legislation may exclude state and local governments from participation in the Equitable Share Program. The timing and extent of any exclusion cannot be reasonably determined.

**SUMMARY OF AMENDMENT (017787):** Deletes all language after the enacting clause. Deletes the \$350 cost bond requirement to initiate an administrative civil asset forfeiture hearing for certain claimants. Changes the effective date from July 1, 2019 to October 1, 2020.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

Decrease State Revenue – \$296,900/FY20-21/Department of Safety  
\$395,800/FY21-22 and Subsequent Years/  
Department of Safety

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 40-33-206, unless a secured party meets certain requirements or an indigent person has an approved claim certifying that the person is unable to bear the costs of a proceeding, a claimant in a civil asset forfeiture hearing is required to file a \$350 cost bond or an attorney or corporate surety bond payable to the State of Tennessee.
- The Department of Safety (DOS) returns 100 percent of a cost bond in cases where a judge rules in the claimant's favor, retains 50 percent of cost bond revenue in settled cases, and retains 100 percent of cost bond revenue in cases resulting in a judge ordering in the state's favor.
- Based on information provided by DOS, the average net cost bond revenue each year over three years (FY15-16 through FY17-18) is \$395,803.
- The proposed legislation is effective October 1, 2020 which is approximately 75 percent of FY20-21; therefore, the estimated impact of this analysis represents 75 percent of FY20-21 and 100 percent of FY21-22 and subsequent years.
- The recurring decrease in state revenue to DOS resulting from removing the \$350 cost bond requirement in civil asset forfeiture hearings is estimated to be \$296,852 (\$395,803 x 75%) in FY20-21 and \$395,803 FY21-22 and subsequent fiscal years.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/amj