

- As a result of the potential for additional felony convictions, counties could experience a potential savings related to a decrease in the incarceration of misdemeanor offenders. Incarceration costs for misdemeanor offenses are the responsibility of the county, while incarceration costs for felony offenses are the responsibility of the state.
- Municipalities could experience a potential decrease in both revenues and expenditures resulting from shifting affected cases to felony courts operated by the counties. The potential loss in revenue would be related to decreased collection of local court costs, while any decrease in expenditures would be tied to adjudicating fewer misdemeanor cases.

Detailed Fiscal Analysis

Provisions of the bill

The bill enhances penalties for the offenses of telephone harassment, inducing panic, and making false alarms in certain instances when the violation results in economic harm. Additionally, the bill defines “economic harm” for enhanced penalties as all direct, incidental and consequential pecuniary harm suffered by a victim of the criminal conduct. The following table defines the conditions under which specific enhancements could be applied:

Potential Enhancements – Certain Offenses				
Offense	Current Penalty	Enhanced Penalty “Economic Harm” \$500 to \$5000	Enhanced Penalty “Economic Harm” \$5,000 to \$100,000	Enhanced Penalty “Economic Harm” \$100,000 and above
Telephone Harassment	M-1 or F-5*	F-5	F-4	F-3
Inducing Panic	M-1 or F-4**	F-5	F-4	F-3
Making False Alarm	M-1	F-5	F-4	F-3

Effects of the Bill

Since the offenses addressed in the bill are covered under existing state (and in certain instances federal) law, no additional cases should be created. This being said however, the possibility exists that the bill could impact both state and local governments as a result of penalty enhancements. Specifically, the bill could potentially affect both state and local revenues and expenditures as a result of the shifting of certain cases from misdemeanor to felony courts and generating additional felony convictions. However, since no detailed data exists which would permit either the isolation of the number of current cases falling under the bill or the level of “economic harm” being suffered, the ability of LBO to make a concrete and accurate estimate is problematic.

State Revenues

In that the bill upgrades the seriousness of certain existing offenses it could result in additional state revenues from state court costs. Currently state court costs in misdemeanor cases are \$20 with \$11 and \$9 going to the GRF and CVRF respectively. State court costs in felony cases are \$41 with \$11 and \$30 going to the GRF and CVRF respectively.

Indigent Defense

As a result of increasing the seriousness of certain offenses the bill could produce a potential increase in both state and county expenditures for indigent defense. According to data provided by the U.S. Department of Justice, Bureau of Justice Statistics, indigent defense is necessary in 37 percent of misdemeanor cases costing \$175 on average, while it is necessary in

78 percent of felony cases and averages \$395. The state is responsible for 47 percent of indigent defense costs, with the county picking up the remaining 53 percent.

Incarceration

Since an accurate estimate of the number of offenses that would be affected by the enhancements in the bill is not available, it is safe to assume that it could result in a potential increase in state expenditures and a decrease in county expenditures for incarceration. Specifically, since the bill creates additional felony offenses it would result in shifting incarceration of those convicted from the county to the state level. Currently the average annual marginal cost for DRC housing an inmate is \$4,015 and paid entirely by the state. Meanwhile, the average daily cost of housing a misdemeanor prisoner in a county jail is \$52 and is entirely the responsibility of the county.

Local Revenues

As a result of increasing the seriousness of certain offenses from misdemeanors to felonies and the shifting of these cases from municipal and county courts to common pleas courts, the bill could produce a potential increase in county revenues and decrease in municipal revenues generated by local court costs. Local court costs vary by jurisdiction and are retained entirely by the entity operating the court. Additionally, since fines are rarely applied in felony cases the bill could also result in a potential loss of fine revenue currently collected by the counties. Fines are levied by the court with a ceiling set by law and are retained entirely by the county.

Prosecution

In addition to increased county expenditures related to indigent defense, the bill could also result in additional prosecution expenditures. According to a representative of the Ohio Prosecuting Attorneys' Association, as a result of shifting cases from municipal to common pleas courts and upgrading certain misdemeanors to felonies, both the workload of prosecutors and the complexity of prosecutions should increase. Prosecution costs vary from case to case and are paid entirely by the county.

* If convicted or guilty of a previous violation of the specific offense

** If a violation of the offense results in serious physical harm to any person

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