



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 108 of the 130th G.A.
(LSC 130 0430-4)

Date: April 23, 2013

Status: In House Judiciary

Sponsor: Reps. Baker and Schuring

Local Impact Statement Procedure Required: Yes

Contents: Rape Crisis Program Trust Fund

State Fiscal Highlights

STATE FUND

FY 2014 – FUTURE YEARS

General Revenue Fund (GRF)

Revenues - 0 -

Expenditures Increase of \$1,000,000 in each of FYs 2014 and 2015 to expend Rape Crisis Centers appropriations

Rape Crisis Program Trust Fund

Revenues Potential gain of up to \$220,000 or more annually

Expenditures Annual increase, up to available revenue

Other Funds of the Attorney General

Revenues - 0 -

Expenditures Likely annual increase to recover fees in a civil action

Note: The state fiscal year is July 1 through June 30. For example, FY 2014 is July 1, 2013 – June 30, 2014.

- **General Revenue Fund.** The bill appropriates \$1,000,000 in each of FYs 2014 and 2015 to new GRF line item 055501, Rape Crisis Centers, to be administered by the Office of the Attorney General.
- **Rape Crisis Trust Fund.** The bill's \$100 Sex Offender Registration and Notification (SORN) Law registration fee could generate up to \$220,000 or more per year for deposit into the newly created Rape Crisis Program Trust Fund. At least 95% must be used for the purpose of providing funding to eligible rape crisis centers, and no more than 5% may be used by the Attorney General to pay costs associated with administering the fund.
- **Attorney General.** The Attorney General will experience an increase in annual operating expenses for staff to: (1) develop and administer a rape crisis center grants program, and (2) file the civil actions required by the bill to enforce the payment of the mandatory \$100 registration fee. These costs may be covered by a mix of funding sources, both GRF and non-GRF, available to the Attorney General.

Local Fiscal Highlights

- **County sheriffs.** The bill will likely create minimal administrative costs for county sheriffs as a result of (1) the requirement to collect the required \$100 sex offender registration fee, (2) transferring, each month, the revenue to the Treasurer of State, and (3) reporting annually to the Attorney General the names of those who fail to pay the fee.
 - **Municipal courts and county courts.** Local courts, most likely municipal courts and county courts, are expected to experience an increase in their civil caseloads resulting from the requirement that the Attorney General file a civil action to collect the \$100 registration fee. Statewide, the costs for judicial personnel to process these matters could exceed a minimal annual amount, especially in local jurisdictions with larger numbers of SORN Law registrants with unpaid fees.
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Detailed Fiscal Analysis

The bill: (1) creates the Rape Crisis Program Trust Fund within the state treasury to be funded by a \$100 fee for first-time SORN Law registrants, (2) requires the Attorney General to file a civil action to collect unpaid registration fees, (3) appropriates \$1,000,000 in each of FYs 2014 and 2015 to new GRF line item 055501, Rape Crisis Centers, and (4) adds a representative of rape crisis programs as a member of the State Victims Assistance Advisory Council.

Rape Crisis Program Trust Fund

The bill creates the Rape Crisis Program Trust Fund in the state treasury, to be administered by the Attorney General. The bill requires a county sheriff to charge a fee of \$100 when a person first registers as a sex offender. The fee is in addition to the optional fee that a sheriff may charge under existing R.C. 311.171.¹ A sheriff may not refuse to register a person who does not pay the fee. The bill requires the sheriff to transmit on or before the 20th day of the following month all money collected during a month to the Treasurer of State to be credited to the Rape Crisis Program Trust Fund.

At least 95% of the money deposited into the fund must be used for the purpose of providing funding to eligible rape crisis programs. The Attorney General may use up to 5% to pay costs associated with administering the fund. The amount of funding that each rape crisis program may receive will depend on the number deemed eligible by the Attorney General and the amount of revenues deposited annually into the fund. An eligible rape crisis program that receives money from the fund must use it only to provide services to victims of sexual assault.

¹ The sheriff may charge a fee each time a person does any of the following: (1) registers under R.C. 2950.04 or 2950.041, (2) registers a new residence address under R.C. 2950.05, or (3) verifies a current residence address under R.C. 2950.06.

Estimated revenues

The number of new SORN Law registrants annually is relatively stable in Ohio. In CY 2012, there were approximately 2,200 new registrants. Assuming that the number of new registrations in future years is roughly the same, then annual revenues could total \$220,000 (2,200 new registrants x \$100). However, as discussed in more detail below, it is more likely that the annual revenues will be less than this estimated amount.

It is important to note that the rates at which court costs, fees, and fines are collected from those convicted of felonies is very low. One of the primary reasons for such low compliance is that many felony offenders, including sex offenders, are generally determined by the sentencing court to be indigent and thus cannot or will not pay the court costs, fees, and fines assessed under current law.

As previously noted, county sheriffs are permitted to charge for certain SORN Law registrant duties. According to a representative of the Buckeye State Sheriffs' Association, approximately half of all county sheriffs (44 of 88) attempt to collect such fees. Approximately 25%, or around 11, actually succeed in collecting this permissive fee. This is an imprecise estimate though and largely reflects anecdotal assessments from the Association. However, it is largely believed that this is a reasonable reflection of current collection trends amongst this particular offender population. It was also noted that, since the sheriff is not permitted to deny the registration or verification of a SORN Law registrant, collecting the fee consistently from individual registrants over time proves difficult. This scenario would likely be the same for the new \$100 mandatory fee.

Collection/enforcement costs

At the end of each calendar year, the sheriff must report to the Attorney General all fees that have been due and unpaid for more than one year and that the sheriff has not previously reported. The bill requires the Attorney General to recover those fees in a civil action. For the reasons noted above, it is estimated that the initial collection rate will be low. In the cases where the fee is remitted at the time of registration, the sheriff will be required to transmit the revenues to the Treasurer of State once a month. This will create additional administrative costs for these sheriffs. However, these costs are expected to be minimal.

More notably will be the costs generated by the civil actions filed by the Attorney General. If the noncompliance rate is high, then it is possible that up to 2,000, or possibly more, civil actions could be filed annually across the state. As each of these actions will involve the collection of \$100, they likely fall under the monetary jurisdiction of municipal courts and county courts. In local jurisdictions with relatively large numbers of registrants failing to pay, the additional annual operating costs for judicial personnel to process these cases could exceed minimal.

Program administration costs

After the bill is enacted, the Attorney General will draft rules establishing the guidelines for eligible programs to apply for funding. The Attorney General will experience an increase in expenditures in order to: (1) administer the Rape Crisis Program Trust Fund, (2) draft rules, (3) make grants to eligible rape crisis programs throughout the state, and (4) file the civil actions required by the bill to enforce the payment of the \$100 fee. It is uncertain if additional personnel will be needed, however, up to 5% of the Rape Crisis Program Trust Fund's revenues may be used by the Attorney General to help with some of these costs. Costs in excess of this available funding will likely be supported via a mix of other funding sources, both GRF and non-GRF, available to the Office of the Attorney General.

Rape Crisis Centers GRF appropriation

The bill creates, within the Attorney General's budget, GRF line item 055501, Rape Crisis Centers, and appropriates \$1,000,000 in each of FYs 2014 and 2015. Although the bill does not specify the intended purpose of this appropriation, it appears likely that it will be used to initially provide funding to eligible rape crisis programs, as determined by the Attorney General, until revenues deposited into the Rape Crisis Program Trust Fund are sufficient enough to support the program's mission.

State Victims Assistance Advisory Council

The bill adds a representative of rape crisis programs as a member of the State Victims Assistance Advisory Council. Council members are not compensated but may be reimbursed for travel and other necessary expenses. These expenses are paid by the Attorney General, with the money being disbursed from the Claims Section Fund (Fund 4190). The amount necessary to reimburse this additional member will be minimal at most annually.

Synopsis of Fiscal Effect Changes

The notable differences between the fiscal effects of this substitute bill and those of the As Introduced version are as follows:

- The substitute bill clarifies that the \$100 registration fee is to be collected from not only sex offenders, but child-victim offenders as well, which may minimally increase annual revenue generation.
- The substitute bill creates new GRF line item, 055501, Rape Crisis Centers, with an appropriation of \$1,000,000 in each of FYs 2014 and 2015, presumably to be used by the Attorney General to fund eligible rape crisis programs until revenues deposited into the Rape Crisis Program Trust Fund are sufficient enough to support the program's mission.