

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1438-01
Bill No.: HB 623
Subject: Alcohol; Crimes and Punishment; Insurance - Automobile
Type: Original
Date: March 24, 2011

Bill Summary: This proposal changes the penalties for persons with prior DWI convictions who cause an accident in which another person is killed and increases the insurance liability limits for persons with prior DWI convictions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

Officials from the **Office of Prosecution Services**, the **Department of Public Safety - Highway Patrol**, **Department of Insurance**, **Financial Institutions and Professional Registration**, and the **Department of Revenue** each assume the proposal would not fiscally impact their respective agencies.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide competent, effective representation for any new cases arising where indigent persons are charged with the enhanced penalties for involuntary manslaughter by a person who has a prior conviction or plea of guilty to DWI would be guilty of a class A felony.

Passage of bills increasing penalties on existing crimes, or creating new crimes, requires the State Public Defender System to further extend resources. While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide competent and effective representation in all its cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials from the **Department of Corrections (DOC)** state this bill proposes to change the penalty for persons with prior DWI convictions who cause an accident in which another person is killed and increases the insurance liability limits for persons with prior DWI convictions.

The penalty provision component of this bill resulting in potential fiscal impact for DOC, is for up to a class A felony. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

ASSUMPTION (continued)

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender cost either through incarceration (FY10 average of \$16.397 per offender, per day, or an annual cost of \$5,985 per inmate) or through supervision provided by the Board of Probation and Parole (FY10 average of \$3.92 per offender, per day or an annual cost of \$1,431 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Seventeen (17) persons would have to be incarcerated per each fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE			
<u>Costs - Department of Corrections</u>			
Incarceration / Probation for persons with prior DWI convictions who cause an accident in which another person is killed	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, the minimum coverage requirements for motor vehicle liability insurance policies are \$25,000 for bodily injury to or death of one person in any one accident, \$50,000 for bodily injury to or death of two or more persons in any one accident, and \$10,000 for injury to or property destruction in any one accident. This bill changes the coverage requirements for a motor vehicle liability insurance policy issued for an insured with one or more convictions for a driving while intoxicated (DWI) offense to:

- (1) \$100,000 for bodily injury to or death of one person in any one accident, \$300,000 for bodily injury to or death of two or more persons, and \$50,000 for injury to or property destruction for an insured who has a prior DWI conviction or plea of guilty;
- (2) \$250,000 for bodily injury to or death of one person in any one accident, \$500,000 for bodily injury to or death of two or more persons, and \$100,000 for injury or property destruction for an insured who has a second DWI conviction or plea of guilty or nolo contendere; and
- (3) \$500,000 for bodily injury to or death of one person in any one accident, \$1 million for bodily injury to or death of two or more persons, and \$200,000 for injury to or property destruction for an insured who has a third or subsequent DWI conviction or plea of guilty or nolo contendere.

Any individual who is convicted of involuntary manslaughter in the first degree for causing a death while operating a motor vehicle or vessel while in an intoxicated condition and has a prior DWI conviction or plea of guilty will be guilty of a class A felony.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Public Safety
Office of the State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration
Office of Prosecution Services
Office of the State Public Defender
Department of Corrections

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 24, 2011