Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 201   (Delegate Mitchell, *et al.*)

Judiciary

District Court Electronic Citation Fund and Fee

This bill establishes the District Court Electronic Citation Fund. The bill increases, from $22.50 to $27.50, specified costs in District Court criminal and specified traffic cases. The Comptroller must pay $3 per case into the newly established District Court Electronic Citation Fund and $2 per case to the arresting law enforcement agency to defray expenses relating to the establishment and maintenance of electronic citations.

Fiscal Summary

State Effect: Special fund revenues to the new fund increase by an estimated $1.6 million in FY 2015 and by $2.1 million annually thereafter; special fund expenditures increase correspondingly. Special fund revenues for State law enforcement agencies also increase, and general fund revenues increase minimally from investment earnings of the new fund. General fund expenditures increase by $71,700 in FY 2015 only for programming changes. General fund expenditures for the Judiciary decrease to the extent that the special fund revenue offsets the need for general fund support of the District Court's electronic citation system. State expenditures (all funds) for State law enforcement agencies may decrease to the extent that the special fund revenue offsets the need for general fund support of the agencies' electronic citation system.

($ in millions)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
GF Revenue	-	-	-	-	-
SF Revenue	$1.6	$2.1	$2.1	$2.1	$2.1
GF Expenditure	$.1	(-)	(-)	(-)	(-)
SF Expenditure	$1.6	$2.1	$2.1	$2.1	$2.1
GF/SF Exp.	(-)	(-)	(-)	(-)	(-)
Net Effect	($.1)	$.0	$.0	$.0	$.0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Minimal increase in revenues for local law enforcement agencies to be used to defray expenses relating to the establishment and maintenance of electronic citations.

Small Business Effect: None.

Analysis

Bill Summary: The District Court Electronic Citation Fund consists of (1) money distributed to the fund from a portion of the costs collected from defendants in criminal and specified traffic cases in the District Court; (2) any investment earnings or federal matching funds received by the State for establishing and maintaining electronic citations; and (3) money made available to the fund from any other source. The fund is subject to audit by the Office of Legislative Audits. The Clerk of the District Court must use the fund to perform the duties required by the court for establishing and maintaining electronic citations.

Current Law: Court costs of $22.50 are imposed on a defendant in a traffic case, including parking and impounding cases, contested automated enforcement cases, and contested cases of unlawful litter disposal. Such costs are also applicable to cases in which the defendant waives the right to trial and instead pays the applicable fine or penalty deposit. Court costs of $22.50 are also imposed on a defendant in a District Court criminal case.

From these costs (as well as costs collected in uncontested cases, as specified), the Comptroller must pay $500,000 annually into the Criminal Injuries Compensation Fund. This is a special fund within the Department of Public Safety and Correctional Services that provides financial assistance for innocent victims of crime. The Comptroller must also pay $125,000 annually to the Victim and Witness Protection and Relocation Fund. This is a special fund used to carry out the Victim and Witness Protection and Relocation Program, which is administered by the States' Attorneys' coordinator.

For specified jailable and nonjailable traffic cases in the District Court, a $7.50 surcharge is also imposed under § 7-301(f) of the Courts Article.

If the defendant is convicted of a jailable traffic offense or criminal offense in the District Court, an additional $35 in court costs is imposed under § 7-409(c) of the Courts Article. If the defendant is convicted of a nonjailable traffic offense in the District Court, an additional court cost of $3 is imposed under § 7-409(d) of the Courts Article.

Background: Chapter 605 of 2007 authorized the issuance of electronic traffic citations. According to the Governor's Office of Crime Control and Prevention (GOCCP), electronic citations are designed to improve safety by reducing the amount of time police officers and motorists spend on the side of the road. They also enable citation data to be transferred to the District Court, eliminating the need for manual data entry. According to GOCCP, as of January 2013 (the latest information readily available), at least 83 law enforcement agencies are participating in the State's electronic citation program.

State and Local Fiscal Effect:

Additional Court Costs and the New Special Fund

Special fund revenues from the additional court costs increase by $1,552,883 in fiscal 2015, which accounts for the bill's October 1, 2014 effective date and by $2,070,510 annually thereafter. The information and assumptions used in calculating the estimate are stated below:

- court costs are collected in 55,863 District Court criminal cases annually, which assumes that costs are assessed in 85% of cases (based on the number of criminal cases in fiscal 2013);

- court costs are collected on 634,307 tried and prepaid traffic citations annually, based on fiscal 2013 data; and

- current and projected levels of actual cost imposition and collection remain constant.

Special fund expenditures from the new fund increase correspondingly as the District Court uses the fund for its duties related to electronic citations, as required by the bill.

Due to the creation of the special fund to support electronic citation efforts, it is assumed that the need for general funds currently being used to support these efforts may decrease. The Judiciary's Judicial Information Systems handles application development, support, and operation of the existing District Court computer systems, including electronic citations. The District Court also advises that in fiscal 2013, it paid $135,000 to law enforcement agencies for paper citation costs. The Judiciary did not provide additional information on the specific expenditures associated with electronic citations. It is assumed, however, that general fund expenditures may decrease due to the establishment of the special fund.

Because a provision of Chapter 397 of 2011 (the Budget Reconciliation and Financing Act) credited all interest earned on special funds of the State to the general fund unless

otherwise designated in the State Finance and Procurement Article, general fund revenues increase minimally from interest earned on the new special fund.

State and Local Law Enforcement Agencies

In addition to the special fund revenues to be allocated to the District Court to support electronic citation efforts, the bill also requires the payment of $2 per case to the arresting law enforcement agency. For purposes of this analysis, it is assumed that this provision also applies to the law enforcement agency that *issued* the citation, since there would technically be no *arresting* officer in the case of many traffic or parking citations. Accordingly, revenues for State law enforcement agencies that make arrests and issue citations, such as the Department of State Police (DSP) and the Maryland Transportation Authority (MDTA), also increase. The bill specifies that these revenues ($2 per case) are to be used to defray expenses relating to the establishment and maintenance of electronic citations.

Based on the same assumptions above, State and local law enforcement agencies share $1,035,255 in fiscal 2015 and $1,380,340 annually beginning in fiscal 2016. This estimate assumes that revenues accrue to all law enforcement agencies that make arrests and issue citations because the bill does not appear to require that a law enforcement agency have an existing electronic citation program in order to be eligible for the additional funding. Although other State law enforcement agencies, such as the Department of Natural Resources, make arrests and/or issue citations, it is estimated that the majority of any additional revenues for State law enforcement agencies accrue to DSP and MDTA. For example, MDTA estimates revenues of approximately $278,000 annually, and advises that the funds would be used to offset the costs of supporting its current electronic citation efforts. Additional specific estimates regarding the likely allocation of the $2 per case costs among State and local law enforcement agencies that make arrests and issue citations are not available due to the lack of data.

Programming Expenditures

General fund expenditures increase by $71,685 in fiscal 2015 only for the Judiciary to make necessary programming changes. If other legislation is passed requiring computer reprogramming changes, economies of scale could be realized, thereby reducing the costs associated with this bill and other legislation affecting the Judiciary. The Judiciary also advises that the increase in court costs necessitate a change to the Maryland Uniform Complaint and Citation book. However, the Department of Legislative Services notes that this book is updated annually to reflect all legislative changes. Therefore, it is assumed that printing costs can be handled with existing budgeted resources.

Office of Legislative Audits

The Office of Legislative Audits can implement the bill's auditing requirement using existing budgeted resources.

Additional Information

Prior Introductions: HB 190 of 2013 received a hearing in the House Judiciary Committee but was subsequently withdrawn.

Cross File: None.

Information Source(s): Montgomery and Queen Anne's counties, Judiciary (Administrative Office of the Courts), Maryland Association of Counties, Maryland Department of Transportation, Department of Legislative Services

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mc/kdm

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