

**Department of Legislative Services**  
 Maryland General Assembly  
 2019 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 644 (Senator Klausmeier)  
 Judicial Proceedings

**Circuit Court Fines, Penalties, and Forfeitures - Funding - Drug Treatment and Education**

This bill requires that fines, penalties, and forfeitures recovered in a circuit court case for a violation under Title 5 of the Criminal Law Article (controlled dangerous substances) must be allocated as follows: (1) 95% to the county in which the violation occurred to be used for funding drug treatment and education programs; and (2) 5% to the clerk of the circuit court as a commission.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$50,000 in FY 2020 only for computer reprogramming. Revenues are not affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	50,000	0	0	0	0
Net Effect	(\$50,000)	\$0	\$0	\$0	\$0

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

**Local Effect:** Minimal decrease in revenues and expenditures for local law libraries. Minimal increase in revenues and expenditures for local drug treatment and education programs. Additional local expenditures may be incurred for computer reprogramming.

**Small Business Effect:** None.

## Analysis

**Current Law:** Section 7-507 of the Courts and Judicial Proceedings Article generally requires that fines imposed by and recognizances forfeited to each circuit court must be distributed as follows:

- 50% to the clerk of the circuit court, to be used under the direction of the judges of the circuit court to augment the court library; and
- 5% to the clerk of the circuit court as a commission.

This requirement does not apply in Anne Arundel and Howard counties and to fines imposed in gambling cases in Baltimore County. Section 7-507 also contains several county-specific provisions regarding the allocation of the portion of the funds designated for court libraries.

Section 7-302 of the Courts and Judicial Proceedings Article contains provisions pertaining to transmittal of funds collected by the District Court for parking violations, automated monitoring system violations, *etc.* Section 7-204 discusses requirements for the distribution of fees for appearance of counsel to court library- and law library-related functions in each county.

It should be noted that it appears that the “forfeitures” referred to in the bill are not forfeitures of property in controlled dangerous substances (CDS) cases, which are governed by detailed provisions in the Criminal Procedure Article. Maryland law requires that the proceeds from CDS forfeitures processed under State law be deposited into the general fund of the State or the general fund of the appropriate local government. The forfeitures referred to in the Courts and Judicial Proceedings Article, to which this bill is drafted, are other types of forfeitures, such as a “forfeiture of recognizance” when a person fails to appear in court.

**State Expenditures:** General fund expenditures for the Judiciary increase by \$50,020 in fiscal 2020 only for computer reprogramming to accommodate the bill’s changes.

**Local Fiscal Effect:** Local revenues and expenditures for local law libraries decrease minimally. Local revenues and expenditures for drug treatment and education programs increase minimally. Local expenditures may also be incurred for computer reprogramming.

The bill alters the allocation of revenues from applicable circuit court fines, penalties, and forfeitures. As § 7-507 of the Courts and Judicial Proceedings Article generally requires 50% of this revenue goes to the clerks of the court to be used to augment law libraries, and 5% goes to the clerk as a commission, then, presumably, the remaining 45% goes to the

appropriate county (without restriction on use). Based on the figures in **Exhibit 1**, as reported by the Administrative Office of the Courts, there appear to be some jurisdictional exceptions.

Under the bill, 95% of the funds collected in a CDS case must go to local jurisdictions for drug treatment and education programs. Thus, local revenues for law libraries decrease, minimally, and local revenues for drug treatment and education programs increase minimally. Local expenditures for law libraries and drug treatment and education programs are affected correspondingly.

Information is not readily available on the amount of fines, penalties, and forfeitures collected in circuit court CDS cases. However, Exhibit 1 contains information on the total amount of fines, forfeitures, and appearance fees collected and remitted or retained by clerks of the circuit courts (under §§ 7-204 and 7-507 of the Courts and Judicial Proceedings Article) in fiscal 2018. The bill does not affect the allocation of appearance fees.

The Circuit Court for Montgomery County advises that implementation of the bill requires one-time computer reprogramming costs of \$29,900 in fiscal 2020. It is unknown if other circuit courts incur similar reprogramming costs.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Baltimore City; Montgomery County; Maryland Association of Counties; Maryland Department of Health; Governor's Office of Crime Control and Prevention; Judiciary (Administrative Office of the Courts); Department of Budget and Management; Department of Legislative Services

**Fiscal Note History:** First Reader - February 21, 2019  
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**Exhibit 1**  
**Fines, Forfeitures, and Appearance Fees Collected and Remitted or Retained by**  
**Clerks of the Circuit Courts**  
**Fiscal 2018**  
**(§§ 7-204 and 7-507 of the Courts and Judicial Proceedings Article)**

	<u>To</u> <u>Bar Library</u>	<u>To</u> <u>County/City</u>	<u>Appearance</u> <u>Fees*</u>	<u>Total</u>
<b>First Circuit</b>				
Dorchester	\$3,564	\$3,230	\$6,492	\$13,286
Somerset	0	2,379	3,263	5,642
Wicomico	33,075	29,767	15,370	78,212
Worcester	110,742	99,668	14,604	225,014
<b>Total</b>	<b>\$147,381</b>	<b>\$135,044</b>	<b>\$39,729</b>	<b>\$322,154</b>
<b>Second Circuit</b>				
Caroline	\$2,987	\$3,319	\$5,615	\$11,921
Cecil	147,725	132,953	25,018	305,695
Kent	9,624	10,542	3,308	23,475
Queen Anne's	13,000	11,700	15,012	39,712
Talbot	9,184	8,266	6,447	23,897
<b>Total</b>	<b>\$182,520</b>	<b>\$166,779</b>	<b>\$55,400</b>	<b>\$404,700</b>
<b>Third Circuit</b>				
Baltimore Co.	\$0	\$712,825	\$197,155	\$909,980
Harford	101,009	90,908	75,030	266,947
<b>Total</b>	<b>\$101,009</b>	<b>\$803,733</b>	<b>\$272,185</b>	<b>\$1,176,927</b>
<b>Fourth Circuit</b>				
Allegany	\$7,681	\$7,388	\$10,697	\$25,766
Garrett	2,391	2,152	5,090	9,633
Washington	106,768	106,768	22,986	236,522
<b>Total</b>	<b>\$116,840</b>	<b>\$116,308</b>	<b>\$38,773</b>	<b>\$271,922</b>
<b>Fifth Circuit</b>				
Anne Arundel	\$123,709	\$111,338	\$85,353	\$320,399
Carroll	31,815	28,942	44,613	105,369
Howard	0	89,859	43,976	133,835
<b>Total</b>	<b>\$155,523</b>	<b>\$230,139</b>	<b>\$173,941</b>	<b>\$559,603</b>
<b>Sixth Circuit</b>				
Frederick	\$54,488	\$49,039	\$39,337	\$142,864
Montgomery	127,214	114,493	0	241,707
<b>Total</b>	<b>\$181,702</b>	<b>\$163,532</b>	<b>\$39,337</b>	<b>\$384,571</b>

	<u>To</u> <u>Bar Library</u>	<u>To</u> <u>County/City</u>	<u>Appearance</u> <u>Fees*</u>	<u>Total</u>
<b>Seventh Circuit</b>				
Calvert	\$4,925	\$4,432	\$33,999	\$43,356
Charles	25,856	23,437	30,094	79,387
Prince George's	268,273	268,273	165,077	701,623
St. Mary's	313	281	13,600	14,194
<b>Total</b>	<b>\$299,366</b>	<b>\$296,424</b>	<b>\$242,770</b>	<b>\$838,560</b>
<b>Eighth Circuit</b>				
Baltimore City	\$0	\$543,191	\$398,589	\$941,780
<b>Total</b>	<b>\$0</b>	<b>\$543,191</b>	<b>\$398,589</b>	<b>\$941,780</b>
<b>Grand Total</b>	<b>\$1,184,342</b>	<b>\$2,455,151</b>	<b>\$1,260,723</b>	<b>\$4,900,216</b>

\*The bill does not affect the allocation of appearance fees revenues.

Source: Judiciary (Administrative Office of the Courts)

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