

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	HB1460
Version:	SUBREC-AMD1
Request Number:	
Author:	Rep. West (Tammy)
Date:	3/5/2025
Impact:	GRF: Revenue Negative FY26 estimate: -\$6.4M FY27 and onward: -\$9.2M to -\$10.7M annually DOC: Unknown annual revenue decrease OBN: \$20,000 - \$25,000 annual revenue decrease OSBI: \$700,000 - \$900,000 annual revenue decrease DPS: \$111,318.09 annual revenue decrease

Research Analysis

Pending

Prepared By: House Research Staff

Fiscal Analysis

The SUBREC to HB1460 removes from the sentencing powers of the court the ability to impose the District Attorney's Supervision Fee.

District Attorneys Council (DAC): Officials with the DAC have provided the following information:

AFFECTED DAC FUNDS

- None, however this would affect the State General Revenue Fund (GRF).

REVENUE IMPACT

- GRF: -\$9.2M to -\$10.7M annually

ASSUMPTIONS – BASED ON

- The collections recorded in PeopleSoft Financials are:
 - FY22 (07/01/2021 – 06/30/2022) - \$10,664,391.70
 - FY23 (07/01/2022 – 06/30/2023) - \$9,990,340.40
 - FY24 (07/01/2023 – 06/30/2024) - \$9,684,720.68
 - FY25 **1st half** (07/01/2024 – 12/31/2024) - \$4,811,717.28
- Current year collections are roughly in line with FY2024 collections, so FY2025 is projected to collect roughly the same as FY2024 (i.e. roughly \$9.6M). However, collections have also been declining over the years (6% reduction between FY2022 & FY2023, and 3% reduction between FY2023 & FY2024).
- HB1460 would be effective in November of 2025. Assuming checks stop being submitted by court clerks on that date, then the estimated fiscal impact for FY2026 would be roughly \$6.4 million less to the general revenue fund, with an additional roughly \$9.6 million less annually thereafter, potentially as low as \$9.2 million based upon recent trends.

The revenue impact to the GRF could be an estimated -\$9.2M to -\$10.7M annually beginning in FY27. Therefore, HB1460 in its current form is anticipated to have *an overall negative revenue impact on the State's General Revenue Fund.*

Department of Corrections (DOC): Officials with the DOC have provided the following information:

The SUBREC to HB1460 will *reduce the 200 fund collections of the DOC by approximately \$3,000,000 annually and DOC would use existing budgetary resources to absorb the impact.*

Oklahoma Bureau of Narcotics and Dangerous Drugs (OBN): Officials with OBN have provided the following information:

Eliminating the \$5 misdemeanor possession marijuana or drug paraphernalia fee would result in a \$20,000 - \$25,000 annual decrease in revenue for the agency. This could be absorbed without much difficulty by using existing budgetary resources.

Therefore, as a result of the SUBREC to HB1460, the *OBN would absorb a roughly \$20,000 - \$25,000 annual revenue decrease.*

Oklahoma State Bureau of Investigation (OSBI): Officials with OSBI have provided the following information:

The fees that are deleted by the SUBREC to HB1460 provide between \$700,000 - \$900,000 annually to the agency. *Losing this revenue would have a significant impact on the OSBI budget, and the agency may seek additional funding to defray this loss in revenue.*

Department of Public Safety (DPS): Officials with DPS have provided the following information:

The SUBREC to HB1460 would affect revenues collected by the DUI Database Fund. The previous 3 years of collections, and the current year-to-date collections for FY25 are as follows:

FY2022 = \$122,832.93

FY2023 = \$135,270.79

FY2024 = \$75,850.56

FY2025 (YTD as of 2/21/25) = \$44,758.05

This averages to *\$111,318.09 in annual revenue to DPS that would be lost, and the agency would use existing budgetary resources to absorb this impact.*

Administrative Office of the Courts (AOC): Officials with the AOC have provided the following information:

It is unlikely that the Courts are impacted by the elimination of the fees pursuant to the SUBREC to HB1460, however confirmation of this is pending analysis within the agency.

Therefore, the total revenue loss to the state as a result of the fee collections that are eliminated by the SUBREC to HB1460 is approximately \$13,883,818.09.

The SUBREC-AMD1 removes Section 2 from the bill. According to officials with DAC, Section 2 related to several provisions of 22 O.S. 988.9 which included fines and fees for supervision that went to the DOC. There would still be language in 22 O.S. 988.9 that would allow for the courts to assess any amount of fines/fees for supervision, but removing Section 2 from the measure would effectively eliminate the supervision fees that are going to DOC. At most, this could lessen the total impact of the bill by \$3,000,000, however the true amount is likely to be less than this depending on how the modified language is administered. Additionally, the DOC had already planned to absorb this loss in revenue.

Therefore, as amended by the SUBREC-AMD1, *the total revenue loss to the state is approximately \$10,883,818.09, and various agencies may still seek appropriations to defray this loss in revenue.*

Prepared By: Robert Flipping IV, House Fiscal Staff

Other Considerations

None.