

## MILWAUKEE COUNTY FISCAL NOTE FORM

**DATE:** January 19, 2021

Original Fiscal Note

Substitute Fiscal Note

**SUBJECT:** A Resolution/Ordinance amending Chapter 24.02 of the Milwaukee County Code of General Ordinances to reduce the fine for marijuana possession and possession and delivery of drug paraphernalia to no more than one dollar

**FISCAL EFFECT:**

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| <input type="checkbox"/> No Direct County Fiscal Impact<br><input type="checkbox"/> Existing Staff Time Required<br><input type="checkbox"/> Increase Operating Expenditures<br>(If checked, check one of two boxes below)<br><input type="checkbox"/> Absorbed Within Agency's Budget<br><input type="checkbox"/> Not Absorbed Within Agency's Budget<br><input type="checkbox"/> Decrease Operating Expenditures<br><input type="checkbox"/> Increase Operating Revenues<br><input checked="" type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures<br><input type="checkbox"/> Decrease Capital Expenditures<br><input type="checkbox"/> Increase Capital Revenues<br><input type="checkbox"/> Decrease Capital Revenues<br><input type="checkbox"/> Use of contingent funds |
|---|--|

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	Expenditure or Revenue Category	Current Year	Subsequent Year
<b>Operating Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	SEE NARRATIVE	SEE NARRATIVE
<b>Capital Improvement Budget</b>	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

## DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
  - B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
  - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
  - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
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- A. Approval of this resolution/ordinance will reduce the County Forfeiture for violations of Chapter 24, "Possession and Use of Marijuana," of the Milwaukee County Code of General Ordinances (MCGO) which prohibits the possession and use of marijuana and the possession, use, and distribution of drug paraphernalia to no more than \$1. The current forfeiture amount is \$275, with required court costs bringing the total fine to \$484.
  - B. Based on data provided by staff in the Office of Clerk of Circuit Court, the number of tickets filed in 2019 by the Milwaukee County Sheriff's Office for violations of Chapter 24 was 257. Of these cases, 199 were ordered to pay a forfeiture amount. (Note: This analysis includes cases where the original charge of violation of marijuana or paraphernalia possession was modified to a different charge during the court process. This may have resulted in a different forfeiture amount). The total forfeitures owed for the 199 violations issued in 2019 was \$43,866. Through 2020, a total of \$8,782 of the forfeiture monies owed were paid. The remaining \$35,084 remains outstanding and subject to collection efforts. If the forfeiture is lowered to \$1, the total cost of the violation would be approximately \$142 after state required court costs/assessments are added.
  - C. **Based on an analysis of 2019 data, it is estimated that the revenue reduction realized by the County (forfeiture revenue) would be in the range of \$8,000 to \$15,000 annually.** The variance is based on payment and collection efforts. The forfeiture revenues are allocated to the Office of the Sheriff and would result in lower revenues. For 2021, the Office of the Sheriff's Budget anticipates \$1,525,000 in county forfeiture revenue. To the extent that the Office of the Sheriff does not achieve its budgeted revenues, offsetting expenditure reductions would be necessary in order to avoid a negative budget variance.

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.

D. This fiscal note is based on 2019 data. It is assumed the fiscal experience for 2019 is similar to other years.

Department/Prepared By Steve Cady, Research and Policy Director, Office of the Comptroller

Authorized Signature *Stephen J. Cady*

Did DAS-Fiscal Staff Review?  Yes  No

Did CBDP Review?<sup>2</sup>  Yes  No  Not Required