



## Fiscal Estimate Narratives

DOT 4/8/2009

LRB Number	09-0675/1	Introduction Number	SB-130	Estimate Type	Original
<b>Description</b> Surrendering vehicle registration plates and the seizure and sale of vehicles used in certain drunken driving violations and creating a penalty					

### Assumptions Used in Arriving at Fiscal Estimate

The bill is unclear about whether the law enforcement agency that made the arrest would be the agency responsible for collecting plates and seizing and selling vehicles or if the County Sheriff would collect them or if the Clerk of Courts would manage this process. For the purposes of this estimate, it is assumed that the law enforcement agency that made the arrest would be responsible.

2009 Senate Bill 130:

1. Requires persons convicted of a second (in lifetime) drunken driving offense to surrender, to a law enforcement officer, their vehicle registration plates for the motor vehicle owned by the person and used in the violation, for 90 days.
2. Requires persons convicted of three or more (in lifetime) drunken driving offenses to surrender, to a law enforcement officer, their vehicle registration plates for the motor vehicle owned by the person and used in the violation, for 180 days.
3. Requires the court to order the seizure and sale of vehicles (owned and used in the violation) of persons convicted of fourth or higher (in lifetime) drunken driving offenses.

The cost to collect and manage the registration plate surrender portion of this bill is indeterminate.

As to vehicle seizure and sale:

In 2007, there were a total of 46,266 citations written for Operating While Intoxicated (OWI):

1st Offense 27,198  
2nd Offense 10,533  
3rd Offense 4,803  
4th Offense 2,136  
5th Offense 989  
6th Offense 382  
7th Offense 131  
8th Offense 51  
9th Offense 26  
10th Offense 15  
11th Offense 0  
12th Offense 2

Assuming a 92% conviction rate (note that conviction rates likely vary by the number of the offense), 42,565 persons were convicted of OWI in 2007.

In 2007, the Wisconsin State Patrol (WSP) wrote 9,274 OWI citations. Assuming a 92% conviction rate, the WSP was involved in 8,532 convictions for OWI. Applying the same distribution curve as above to the WSP arrests yields the following:

1st Offense 5,016  
2nd Offense 1,942  
3rd Offense 886  
4th Offense 394  
5th Offense 182  
6th Offense 70  
7th Offense 24  
8th Offense 9  
9th Offense 5  
10th Offense 3

Courts ordered 24 total vehicle seizures in 2007, out of the 8,535 that were "eligible" for that penalty (3rd offense or higher). That amounts to 0.28 percent. Applying that to the WSP's estimated third offense convictions – and assuming that the WSP as the arresting agency is ordered to seize and sell the vehicles –

would yield two to three vehicles each year.

If fourth or higher offense requires mandatory seizure and sale, one might assume that one in four of the eligible vehicles would be processed. Note that a certain number of people convicted will not have owned the vehicles used in the offense; A certain number of vehicles subject to seizure and sale will be sold or transferred by the owner during the window of time between the offense, the court ordered seizure, and the time the owner has to comply [s. 646.65 (6) (a) 2m, Wis. Stat.).

If the WSP were required to seize and sell one quarter of the eligible vehicles associated with their citations that resulted in conviction, 172 (plus 3 from the permissive 3rd offenses) vehicles would have to be processed. Assuming that the average disposal cost includes 4 hours of work by a Trooper to process necessary paperwork (avg. \$43/hour including fringe), an initial towing charge of \$100 at the time of seizure, an additional towing fee of \$100 if the vehicle is worth auctioning, and storage costs of \$5/day for 90 days. This estimate does not include title fees or auction fees. Assume one-third of the 175 vehicles were worthy of sale at auction.

$$117 \times [(\$43 \times 4) + \$100 + (\$5 \times 90)] =$$

$$117 \times \$722 = \$84,474.$$

$$58 \times [(\$43 \times 4) + \$200 + (\$5 \times 90)] =$$

$$58 \times \$822 = \$47,676.$$

In order for the WSP to break-even on vehicle seizures, the saleable vehicles would have to net an average of \$2,280 each  $(\$84,474 + \$47,676)/58 = \$2,278.45$  for the WSP's share of net proceeds. Fifty percent of net proceeds from sale of vehicles goes to the State Common School Fund, though the WSP predicts an indeterminate net loss if this bill were to become law.

The fiscal impact is indeterminate.

### **Long-Range Fiscal Implications**