

OFFICE OF FISCAL ANALYSIS

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sHB-6990

AN ACT CONCERNING THE SEIZURE AND FORFEITURE OF DIGITAL WALLETS AND VIRTUAL CURRENCY.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal
Correction, Dept.; Judicial Dept. (Probation)	GF - Potential Cost	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which clarifies that digital wallets and virtual currency are subject to certain property laws, results in a potential cost to the Department of Correction and the Judicial Department for incarceration or probation and a potential revenue gain to the General Fund from fines, to the extent that additional violations are prosecuted. On average, the marginal cost to the state for incarcerating an offender for the year is \$3,300¹ while the average marginal cost for supervision in the community is less than \$600² each year for adults and \$450 each year for juveniles.

¹ Inmate marginal cost is based on increased consumables (e.g., food, clothing, water, sewage, living supplies, etc.) This does not include a change in staffing costs or utility expenses because these would only be realized if a unit or facility opened.

² Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the actual number of violations.