

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sHB-6990

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

As Amended by House "A" (LCO 8121)

House Calendar No.: 193

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
State Revenues	Various - Potential Revenue Gain	None	See Below
Correction, Dept.; Judicial Dept. (Probation)	GF - Potential Cost	None	Minimal
Resources of the General Fund	GF - Potential Revenue Gain	None	Minimal

Note: Various=Various; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
All Municipalities	Potential Revenue Gain	None	See Below
Various Municipal Police Departments	Potential Revenue Gain	None	See Below

Explanation

The bill, which clarifies that digital wallets and virtual currency are subject to certain property laws, results in 1) a potential revenue gain to the state, to local police departments, and to municipalities for new property subject to forfeiture, 2) a potential cost to the Department of Correction and to the Judicial Department for incarceration or probation, and 3) a potential revenue gain to the General Fund from

Primary Analyst: BP
Contributing Analyst(s):
Reviewer: PR

5/9/25

fines.

The bill also includes digital wallets and virtual currency in forfeiture processes which results in a potential revenue gain to the state and to municipalities beginning in FY 27 to the extent that this subjects more property to the forfeiture process.

The bill also 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 beginning in FY 27 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.

House "A" strikes the language and impact of the underlying bill resulting in the fiscal impact described above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, property and assets subject to forfeiture, and actual violations.

*Sources: State Laws on Asset Forfeiture and Money Laundering (OLR Research Report)
2024-R-0110*

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.