Methods Appendix

This appendix outlines our data sources, methods, and limitations of the analyses we undertook to answer two primary questions:

- How much do state and county budgets in Tennessee rely on revenues from legal financial obligations (LFOs)?
- Do counties with particularly high or low LFO revenues have anything in common?
- What explains county variation in the LFO court assessments and collections that determine the revenues available to state and local government?

LFO Revenues in the State Budget

To quantify the state's use of LFO revenues, we used a combination of monthly tax collections data from the Tennessee Department of Revenue (DOR) and information from annual state budget documents for FYs 2007-2019. To provide context, we express LFOs collected by DOR as a percent of all general fund tax revenues and as a percent of all criminal justice spending. **Table A1** spells out the criteria for each of these elements.

We also used information from the FY 2017 object classification volume of the budget to begin to understand which departments may also directly collect LFOs that support their operations. (1) FY 2017 was the final year in which the object classification volume broke down "Other" revenues by specific type, which provides some indiciation of revenues from agency-specific fees and fines.

LFO Revenues in County Budgets

To quantify counties' use of CJFO revenues, we used audited comprehensive annual financial report (CAFR) data and annual budgets to compile information on the use of LFOs to fund county government operations in 94 counties. For 90 counties, we used end-of-year CAFR data audited by the state comptroller. Financials of the other five counties are audited by independent firms and report data in varying formats – often not as detailed as the comptroller data. (2) (3) (4) (5) (6) As an alternative, we used proposed and adopted budget documents to begin to quantify LFO revenues for four of these counties – Davidson, Hamilton, Knox, and Shelby. We did not conduct an analysis of for the remaining county – McMinn.

For all counties, we used data for FY 2007-2019 because this is the period covered by the CAFR-derived data. To understand trends, we compared 3-year averages for FYs 2007-2009 to FYs 2017-2019. We use a 3-year average to account for large annual variations in small counties – particularly related to proceeds from forfeitures.To allow for comparability across counties with significantly different population sizes, we also report per capita LFOs. And to provide context for the use of LFO revenues, we report their size in relation to local taxes and public safety, criminal justice, and judicial expenditures.

Table A2 provides a detailed description of each of the data sources. Additional information on the data and definitions for different counties are in the subsections that follow.

Table A1. Criteria for State Budget Analysis

	LFOs	**All Dept. of Revenue Collections**	**Statewide Criminal Justice Spending**
Data Source:	Dept. of Revenue Monthly Collections Spreadsheets (7)	State Budget Documents (8)	State Budget Documents (8)
Table / Line Items / Accounts:	From "Privilege Taxes": 10703 Civil or City Court* 10704 Criminal Cases 10706 Criminal Injuries Comp 10708 Attorneys Reimbursement 10711 General Sessions Tax* 10712 Gen. Sess. Judges Retirement* 10718 Attorneys Administrative Fee 10719 Forfeiture of Bonds 10720 Sex Offenders 10721 Domestic Violence 10722 Civil/Legal Rep. Indigents* 10723 Fingerprinting 10724 Public Defender 10726 Bail Bond Fee 10727 Aggravated Assault 10729 Drug Violation Cases 10730 Sexual Assault 10731 Drug Violation -No Treatment 10732 Driving While Impaired 10734 Blood Alcohol 10735 Litigation* 10736 Alcohol Drug Treatment Fee 10737 Drag Racing Fine 10738 Drug Testing Fee 10739 Victim Notification Fund 10741 Ignition Interlock Device 10742 Cash Bond Forfeiture 10743 Criminal Judicial Education 10744 P. Defender/D. Attorney Expungement 10746 Human Trafficking General Fund 10749 Human Trafficking D.A. Gen 10751 Vet Drug Violation 10752 Advanced Age Adult Abuse Violations 10759 Crime Exposure HBV/HCV & Suicide	From "Distribution of Actual Revenues by Fund": Department of Revenue revenues distributed to the General, Education, Debt Service, and Cities & Counties Funds	From "Comparison of Programs": 302 Court System* 303 Attorney General and Reporter* 304 District Attorney Generals 306 District Public Defenders 308 Post-Conviction Defender 348 Tennessee Bureau of Investigation 349 Safety

Table A2. Data Descriptions for County Budget Analysis

Measure	Source	Year
CJFO Data		
Total CJFO Collections Supporting County Operations	Comptroller-Audited Financial Data (9), County Budget Documents (10) (11) (12) (13) (14)	FYs 2007-2019
Total Per Capita CJFO Collections Supporting County Operations		FYs 2007-2019
Total CJFO Collections as a % of All Local Taxes		FYs 2007-2019
Total CJFO Collections as a % of Total Criminal Justice Expenditures		FYs 2007-2019
Other		
Population	U.S. Census Bureau (15) (16)	2007-2019
GDP Price Index	U.S. Bureau of Economic Analysis (17)	2007-2019

Overarching Notes and Limitations

Revenues, Not Assessments or Collections – This analysis is intended to capture each county's use of fee and fine revenues for financing operations. It is not intended to measure how much each county assesses or how much each county collects on behalf of other parties (e.g. the state, victims).

Includes Some Civil – Our analysis may overestimate criminal fee and fine revenues, because some civil financial obligation revenues and expenditures are included in our data. We excluded line items that were explicitly and exclusively on the civil side (e.g. probate court, chancery court). Many courts and offices, however, share jurisdiction over both civil and criminal – like circuit and general sessions courts and clerks. While criminal justice debt can be converted to civil debt, which is subject to all of the fees and fines of civil cases, there is no way to make a distinction in the data between civil and criminal for entities with jurisdiction over both or how much of civil fee and fine revenue stems from what was once criminal fees and fines. All data elements that may include civil and other costs that are not related to criminal violations are denoted with an asterisk (*).

Comparability Issues – Relying on a mix of financial and budget documents means that the data for the 90 counties and that of each of the other four counties analyzed may not be comparable because:
- Budget and financial data are not always strictly comparable. Financial data must meet generally accepted accounting principles, while each county may have its own guidelines for budget reporting. One difference is the timing of when revenues and expenditures are recorded (e.g. when revenue is earned vs. when the cash is in hand and available to spend).
- Not all resources spent by a county are budgeted and so may not be captured in the annual budget documents. For example, fiduciary funds are not budgeted, and some allocations of LFOs to fiduciary funds are captured in the financial data (see below).
- All of the comptroller-audited data uses a standard set of reporting categories, while each county budget is presented differently with different categorizations and varying levels of detail – sometimes limiting our ability to drill down and parse out revenues that may not be strictly LFOs.
- In the case of Hamilton County, we could only identify adopted budget numbers. Financial data for all other counties reflect actual revenues and expenditures.
- Different counties deal with capital outlay in different ways. Where criminal justice projects are funded in the year in which they are undertaken and the detail is provided, our data capture expenditures on criminal justice-related outlay. When counties use bonds to fund these projects,

they are paid off over time out of a debt service fund that often does not include detail on specific purpose. In these cases, the expenditures may not capture criminal justice-related capital outlay.

Impact of External Trends – We report LFO revenues as a percent of local taxes to provide context and a point of comparison for understanding the magnitude of LFOs as a public financing mechanism. Our data source covers FYs 2007-2019. As a result, our starting point for our analysis of trends is FYs 2007-2009, which includes the Great Recession. As a result, comparing this period with FYs 2017-2019 may say more about the recovery of local tax revenue sources after the Great Recession than it does about any change in policy or practice with regard to fee and fine collections.

Below is additional information on each of our data sources, the criteria we used for estimating LFOs, and more specific assumptions and limitations.

LFO Revenue in 90 of 95 Counties

Data Source: End-of year audited financial data for FYs 2007-2019 obtained from the office of the Tennessee Comptroller of the Treasury. (9) Data reflect financials reported and audited in each county's comprehensive annual financial report (CAFR), which can be accessed from https://comptroller.tn.gov/office-functions/la/reports/audit-reports.html.

LFO Revenues: The data are reported by type (e.g. revenue, expenditure), fund (e.g. general fund), and descriptors. (18) **Table A3** lists the the criteria we used to quantify the use of LFO revenues in funding each county government using the audited actual amounts.

Local Tax Revenues: The sum of the amounts for each county that met the following criteria:
- Funds: All
- Type: Revenues
- Major Descriptor: Local Taxes
- Line Descriptors: All

Criminal Justice Expenditures: The sum of the amounts for each county that met the following criteria:
- Funds: All
- Type: Expenditures
- Major Descriptors: All
- Line Descriptors: Administration of Justice Programs*, Administration of Sexual Offender Registry, Circuit Court*, Circuit Court Clerk*, Circuit Court Judge*, Correctional Incentive Program Improvements, Courtroom Security*, Criminal Court, District Attorney General, Drug Court, Drug Enforcement, General Sessions Court*, General Sessions Court Clerk*, General Session Judge*, Jail, Judicial Commissioners*, Juvenile Court*, Juvenile Court Clerk*, Juvenile Court Judge*, Office of Public Defender, Other Administration of Justice*, Other Public Safety, Probation Services, Sheriff's Department, Special Patrols, Victim Assistance Programs, Work Release Program, Workhouse

Notes and Limitations:
- The data capture all identified revenues in governmental funds (e.g. general fund, special revenue funds) and some fiduciary funds. The fiduciary funds that are included in our data are

generally those where a portion of local revenue is allocated for some purpose outside of the county government like a special school district or municipal government within the county. It does not include fiduciary funds of the constitutional officers. Constitutional officers include locally-elected officials like court clerks, property assessors, and registers of deeds. Their fiduciary accounts include things like restitution and litigation taxes that individuals may pay to a court clerk that are then paid out to victims or the state, respectively.

- The data do include information on revenues for constitutional officer fee accounts. These are special revenue funds that apply constitutional officer fees and commissions from their collections directly to those offices' operating expenses. The revenue data, however, are not broken down by officer, but the expenditure data are. Because these expenditures by definition are funded by fees and commissions, we used expenditure data to represent the LFOs supporting these operations.

LFO Revenue in Davidson County

Data Source: Davidson County's annual budget books for FYs 2007-2019 (10)

LFO Revenues: The sum of the "Actual" revenue amounts in the Operating Budget by Function department-specific financial pages meeting the criteria in **Table A4**.

Local Tax Revenues: The sum of the "Actual" revenue amounts in "Appendix Schedule 1 - Summary of Revenue, Expenditures, and Changes in Fund Balances - All Budgetary Funds" for both the general and urban service districts meeting the following criteria:

- Property Tax – Current Year
- Delinquet Property Tax
- Payment in Lieu of Property Taxes
- Local Option Sales Tax
- Hotel Tax

Criminal Justice Expenditures: The sum of "Actual" expenditure amounts for Total Administration of Justice Function* (less expenditures for chancery court/clerk and master) and Total Law Enforcment and Care of Prisoners Function from "Appendix Schedule 1 - Summary of Revenue, Expenditures, and Changes in Fund Balances - All Budgetary Funds."

Notes and Limitations:

- Detailed data by specific revenue type (e.g. probation fees, electronic monitoring fees, medical copays) were only available for the proposed budget. Because we favored using actual revenue and expenditure data, we relied on broad revenue categories within specific departments and agencies (e.g. fines, forfeits, and penalities for the Sheriff). In addition to including some civil items in courts sharing jurisdiction, this likely overstates the sum of total fees and fines specifically related to criminal justice.
- Similarly, actual detailed local tax revenues were not reported in the annual budget documents, so we reported fee and fine revenue as a percent of three specific taxes reported in the budget – property, sales, and hotel taxes. Other major taxes that are not included in the indicator include alcohol-related taxes and wheel taxes.
- Our totals are significantly higher than those in a similar analysis completed and published in 2020 that estimated Davidson County's total criminal fee and fine revenue to be $8.5 million in

FY 2018. (19) There are several factors that might explain these differences. Some of the issues cited above are responsible for some of the difference – a lack of detailed revenue totals and the inclusion of some civil fees and fines. Our report also includes costs not included in the other analysis – e.g. juvenile justice fees and fines, municipal fines for parking violations.

LFO Revenue in Hamilton County

Data Source: Hamilton County's annual adopted budget document for FYs 2008-2020 (12) and CAFR for FYs 2007-2019 (11)

LFO Revenues: The sum of the adopted/final budget amounts meeting the criteria in **Table A5** from either 1) the "Revenues by Department" table in the annual budget document and/or 2) the "Budgetary Comparison Schedule" tables in the CAFR.

Local Tax Revenues: The sum of the adopted/final budget local tax amounts for the General Fund, Hotel/Motel Tax Fund, and the Department of Education from either 1) the "Revenues by Account" table in the annual budget document and/or 2) the "Budgetary Comparison Schedule" tables in the CAFR.

Criminal Justice Expenditures: The sum of "Adopted" expenditure amounts in the "Expenditures by Department" tables meeting the criteria in **Table A6.**

Notes and Limitations:
- Represents only the adopted budget. Data were not readily available on actual revenues and expenditures.
- Includes capital expenditures related to criminal justice, public safety, and the judiciary.
- Capital expenditures were unavailable for FYs 2007, 2010, and 2013. We imputed an estimated value based on expenditures in other years.

LFO Revenue in Knox County

Data Source: Knox County's annual adopted budget detail document for FYs 2010-2021 (13)

LFO Revenues: The sum of the "Actual" revenue amounts in the "Revenue Summary by Fund" table meeting the criteria in **Table A7**.

Local Tax Revenues: The sum of the "Actual" revenue amounts in the "Revenue Summary by Fund" table meeting the following Criteria:
- Funds: General Fund, Law Library, Public Library, Solid Waste Fund, Hotel Tax, Public Works, General Schools, Debt Service, Fire District Fund, Recreation Construction
- Revenue Types: Property Tax, Sales Tax, Wheel Tax, Litigation Tax, County Taxes, Statutory Taxes

Criminal Justice Expenditures: The sum of amounts in the "Expenditures Summary by Fund" table meeting the criteria in **Table A8.**

LFO Revenue in Shelby County

Data Source: Shelby County's annual adopted budget documents for FYs 2010-2021 (14)

LFO Revenues: The sum of the "Actual" revenue amounts in the operating division-specific summaries meeting the criteria in **Table A9**.

Local Tax Revenues: The sum of the "Actual" revenue amounts for Property Taxes and Other Local Taxes in the "Countywide Summary-All Funds" table in the "All Funds Summary" documen.

Criminal Justice Expenditures: The sum of amounts in the "Actual" expenditure amounts in the operating-division specific summaries meeting the criteria in **Table A10.**

Notes and Limitations:
- In general, the Shelby County budget documents provide less detailed revenue data than did other county budget documents. As a result, we used broader categories of revenues than we did for other counties.
- Shelby County's adopted budget documents underwent a change in reporting detail beginning with the FY 2017 documents. As a result of this, the detail used to quantify the expenditures and financial obligation revenues of the Judicial and Community Services operating divisions shifted beginning with FY 2015.
- Revenue and expenditure data for FYs 2007-2014 are fairly comparable in nature to the analyses of all other counties – as it includes detailed LFOs collected by and used for public safety and criminal justice expenditures, which include some functions that may share jurisidiction over civil and criminal activites (e.g. circuit and general sessions courts) but excludes those that are entirely civil in nature (e.g. probate and chancery courts). It also isolates and includes specific criminal justice-related functions within the Community Services operating division, which also operates other large programs like Head Start, aging programs, and the federal Community Services Block Grant.
- Due to the level of detail that is available beginning with FY 2015, the analysis discussed in the paper covering the entire period of FYs 2007-2019 is unique from the other county analyses. First, it excludes the Community Services operating division altogether, which includes pretrial, community, and diversion services. Perhaps more significantly, however, it includes both the revenues and expenditures of all criminal and civil functions.
- Tables A9 and A10 provide show the detail available for both periods.

Table A11 includes our results for all counties.

Table A3. LFO Revenue Criteria for 90 of Tennessee's 95 Counties

Criteria for Comptroller-Audited Financial Data for FYs 2007-2019

Type	Funds	Major Descriptor	Line Descriptor
Revenues	All Except "Constitutional Officers - Agency" and "Constitutional Officers - Fees"	Fees Received from County Officials	Circuit Court Clerk*
			Criminal Court Clerk
			General Session Court Clerk*
			Sheriff
			Juvenile Court Clerk*
		Fines, Forfeitures, & Penalties	Courtroom Security Fee*
			Data Entry Fee - Circuit Court*
			Data Entry Fee - Criminal Court
			Data Entry Fee - General Sessions Court*
			Data Entry Fee - Juvenile Court*
			Data Entry Fee - Other Courts*
			Data Processing Fee - Sheriff
			District Attorney General Fees
			Drug Control Fines
			Drug Court Fees
			Drug Task Force Forfeitures and Seizures
			DUI Treatment Fines
			Fines
			Fines for Littering
			Game and Fish Fines
			Interpreter Fee*
			Jail Fees
			Officers Costs*
			Other Fines, Forfeitures, and Penalties*
			Proceeds from Confiscated Property
			Veterans Treatment Court Fees
			Victims Assistance Assessments
		Local Taxes	Litigation Tax - Courthouse Security*
			Litigation Tax - General*
			Litigation Tax - Jail, Workhouse, or Courthouse
			Litigation Tax - Office of Public Defender
			Litigation Tax - Special Purpose*
			Litigation Tax - Victim-Offender Mediation Center
		Charges for Current Services	Probation Fees
			Electronic Citation Fee
			Sexual Offender Registration Fee - Sheriff
			Subscription and Document Retrieval Fee - Circuit Court*
			Telephone Commissions
			Work Release Charges for Board
	District Attorney General	Charges for Current Services	Copy Fees
			Other Charges for Services
Expenditure	Constitutional Officers - Fees	Fees Received from County Officials	Circuit Court*
			Circuit Court Clerk*
			General Sessions Court*
			General Sessions Court Clerk*
			Juvenile Court *
			Juvenile Court Clerk*
			Sheriff's Department

*May include civil or other non-criminal-related cost/revenue.

Table A4. LFO Revenue Criteria for Davidson County

Criteria for Davidson County Annual Budget Books for FYs 2007-2019

Department	Fund	Revenue Type
19 District Attorney	GSD General Fund	Charges, Commissions, & Fees
	Special Purpose Fund	Charges, Commissions, & Fees
		Fines, Forfeits, & Penalties
21 Public Defender	GSD General Fund	Fines, Forfeits, & Penalties
22 Juvenile Court Clerk	GSD General Fund	Charges, Commissions, & Fees*
		Fines, Forfeits, & Penalties *
	Special Purpose Fund	Charges, Commissions, & Fees*
23 Circuit Court Clerk	GSD General Fund	Charges, Commissions, & Fees*
		Fines, Forfeits, & Penalties *
24 Criminal Court Clerk	GSD General Fund	Charges, Commissions, & Fees
		Fines, Forfeits, & Penalties
	Special Purpose Fund	Charges, Commissions, & Fees
		Fines, Forfeits, & Penalties
26 Juvenile Court	GSD General Fund	Charges, Commissions, & Fees
		Fines, Forfeits, & Penalties
27 General Sessions Court	GSD General Fund	Charges, Commissions, & Fees*
		Fines, Forfeits, & Penalties*
	Special Purpose Fund	Fines, Forfeits, & Penalties*
28 State Trial Courts	GSD General Fund	Charges, Commissions, & Fees*
	Special Purpose Fund	Fines, Forfeits, & Penalties*
30 Sheriff	GSD General Fund	Fines, Forfeits, & Penalties
	Special Purpose Fund	Fines, Forfeits, & Penalties
31 Police	GSD General Fund	Fines, Forfeits, & Penalties
		Compensation from Property
	Special Purpose Fund	Fines, Forfeits, & Penalties
		Compensation from Property

*May include civil or other non-criminal-related cost/revenue.

Table A5. LFO Revenue Criteria for Hamilton County

Criteria for Hamilton County Annual Adopted Budget Documents and CAFRs for FYs 2007-2020

Fund	Department	Accounting Code & Descriptor
General Fund	Circuit Court Clerk	41911 – Litigation Tax*
		41913 – Renovation Tax*
		45115 – Courtroom Security Fee*
	Criminal Court	45111 – Fines & Costs
		45112 – Refund Court Costs
		45115 – Courtroom Security Fee
	Drug Court	45124 – Drug Court Funds
	Criminal Court Clerk	45141 – County Interpreter Fees
	Restricted Criminal Court	45111 – Fines & Costs
	Accounting	45114 – DUI Fines
	Community Corrections	44253 – Supervision Fees
	Community Corrections Misdem.	44253 – Supervision Fees
	Litter Grant	44253 – Supervision Fees
	Corrections CCA	44121 – Medical Fees
	Misdem. Probation	44253 – Supervision Fees
	Gov's Hwy Safety	45114 – DUI Fines
	Sheriff	44000s – Charges for Services*
		45000s – Fines, Forfeitures, & Penalties*
	Juvenile Court Clerk	44000s – Charges for Services*
		45000s – Fines, Forfeitures, & Penalties*
		48000s – Fees & Commissions
Special Revenue Funds	Sheriff	44000s – Charges for Services*
		45000s – Fines, Forfeitures, & Penalties*
	Juvenile Court Clerk	44000s – Charges for Services*
		45000s – Fines, Forfeitures, & Penalties*
		48000s – Fees & Commissions

*May include civil or other non-criminal-related cost/revenue.

Table A6. Criteria for Criminal Justice, Public Safety, and Judicial Expenditures in Hamilton County

Criteria for Hamilton County Annual Adopted Budget Documents and CAFRs for FYs 2007-2020

Fund	Department	Accounting Code & Descriptor
General Fund	Constitutional Officers	1010030 – Circuit Court Clerk*
		1010080 – District Attorney General
		1010100 – Criminal Court Clerk
		1010110 – Sheriff's Department
		1010120 – District Public Defender
		1010140 – General Sessions Court*
		1010150 – Juries*
		1010170 – Criminal Court Judges
		1010191 – Circuit Court Judge 1*
		1010192 – Circuit Court Judge 2*
		1010193 – Circuit Court Judge 3*
		1010194 – Circuit Court Judge 4*
		1010200 – Juvenile Court Clerk*
		1010610 – Juvenile Court Judge*
		1010620 – Juvenile Court Detention Unit
		1010650 – Juvenile Court Youth Corrections
		1010670 - Juvenile Youth Alcohol Safety Project
		0909000 – Drug Court
		0909200 – Drug Court - Sessions
		1010240 – Juvenile Crime Prosecution Grant
		1010314 - Mental Health Court
		Mental Health VOCA Grant
	Capital Outlay	Circuit Court*
		District Attorney
		Criminal Court
		Sheriff
		Juvenile Court Clerk*
		Juvenile Court Judge*
		Juvenile Detention Unit
		Corrections Administration
		Community Corrections
		Community Corrections Misdemeanors
		Misdemeanors Probation
		Silverdale
	General Services Division	1034100 – Community Corrections Program
		1034110 – Community Corrections - Misdemeanors
		1034140 – Corrections – Administration
		1034150 – Corrections – CCA
		1034160 – Corrections – Workhouse Records
		1034170 – Corrections – Inmate Program
		1034350 – Misdem. Probation/Pre-Trial Diversion
		1034360 – Alternative Bond Program
	Juvenile Court Clerk	Public Safety – Court*
	Sheriff	All
Special Revenue Funds	Sheriff	All
	Juvenile Court Clerk	Public Safety – Courts*
	Narcotic Enforcement Div.	All
	State Sexual Offenders	All

*May include civil or other non-criminal-related cost/revenue.

Table A7. LFO Revenue Criteria for Knox County

Criteria for Knox County Annual Adopted Budget Detail Documents for FYs 2008-2019

Fund	Account Code/Department	Revenue Type
General Fund	1010310 Circuit Court Clerk	Litigation Tax*
		Fines/Forfeitures/Penalties*
		Charges/Current Services*
	1011510 4th Circuit Court Clerk	Litigation Tax*
		Fines*
		Court Security*
		Sheriff's Data Processing*
	1011520 Criminal Court Clerk	Litigation Tax
		Victims Assistance
		DUI Fines
		Breathalyzer Tests
		Data Clerk Processing
		Drug Fines - Criminal City & County
		Fines
		Drug Treatment
		Charges for Current Services
		County Jail Fees
		Probation Fees - Criminal Sessions
		Arrest Fees
	1011530 Criminal Sessions Court Clerk	Litigation Tax
		Fines/Forfeitures/Penalties
		County Traffic Ordinance
		Criminal Arrest
		Booking & Processing
		Drug Fines County General Sessions
		DUI & Firearms Charge - Sessions
		DUI Fees & Fines
		Fines
		Drug Court Treatment
		Game & Fish Fines - Sessions
		Charges for Current Services
		Pre-Trial Fees
		Probation Fees
		Veterans Treatment Fees
		Public Defender Fees
		Sheriff's Data Processing
		Clerk Data Processing
		Courtroom Security
	1011531 Criminal Court Tech	Fines/Forfeitures/Penalties
	1012410 Juvenile Court Judges	Electronic Monitoring
		Drug Screening
		Custody & Visitation Petitions*
		Psychological Evaluations*
	1012710 Juvenile Court Clerk	Litigation Tax*
		Contempt Petition*
		Fines*
		Juvenile Court DL Reinstatement Fee*
		Psychological Evaluations*
		Administrative Fee*
		Traffic School
		Sheriff's Data Processing*

Fund	Accounting Code & Department	Revenue Type
General Fund (cont'd)	1012710 Juvenile Court Clerk (cont'd)	Charges for Current Services*
	1014210 Probation Office	Fines/Forfeitures/Penalties
		Drug & ALC Assessment
		Drug Screening
		Probation Fees - Electronic Monitor
		Fines DUI Traffic School
	1018510 Public Defender	Public Defender Fees
	1018903 Sheriff's Administration	Theft Seizures
		Work Release
		e-Citation Fee
		Jail Concessions
		Medical Copays
	1018921 Patrol Division	Electronic Monitoring
	Sheriff - Other Programs	Sexual Offender Registry
		Organized Retail Crime
Government Law Library	All	Litigation Tax*
General Purpose School Fund	All	Litigation Tax*

*May include civil or other non-criminal-related cost/revenue.

Table A8. Criteria for Criminal Justice, Public Safety, and Judicial Expenditures in Knox County

Criteria for Knox County Annual Adopted Budget Detail Documents for FYs 2008-2019

Fund	Accounting Code (FY 2019)	Descriptor
General Fund	1010010	Attorney General
	1010310	Circuit Court Clerk*
	1011505	Criminal/4th Court Clerk Administration
	1011510	4th Circuit Court Clerk*
	1011520	Criminal Court Clerk
	1011525	Jury Related Expenses
	1011530	Criminal Sessions Court Clerk
	1011531	Criminal Court Technology Upgrades
	1011533	Victims Advocate Program
	1012110	Circuit Court Judges*
	1012120	4th Circuit Court Judges*
	1012130	Criminal Court Judges
	1012140	General Sessions Court Judge*
	1012150	Jury Commission
	1012410	Juvenile Court-Judges*
	1012710	Juvenile Court-Clerk*
	1013010	Juvenile Service Center*
	1013362	Family Justice Center*
	1014210	Probation Office
	1018110	Sheriff's Department Merit System
	1018510	Court Officers*
	1018900	Sheriff's Administration*
	1018903	Records & Communication*
	1018906	Training*
	1018912	Planning & Development*
	1018915	Stop Violence Against Women
	1018918	Patrol & Cops Universal*
	1018921	Warrants
	1018924	Detectives
	1018927	Forensic
	1018930	Juvenile Division*
	1018933	Special Teams
	1018936	Narcotics
	1018942	Vice
	1018943	Internal Affairs
	1018945	Theft
	1018946	Organized Retail Crime
	1018947	Special Services*
	1018948	Life Skills Program*
	1018951	Teen Academy - Sheriff
	1018952	Sexual Offender Registry
	1018953	Interest Earned - Inmates
	1018954	Donations/Sheriff - Target
	1018955	Court Officers*
	1018957	Auxiliary Services*
	1018960	Correctional Facilities & Batterer's Treatment
	1018969	Jail Commissary
	1018973	Medical Examiner - County
	1018985	Sheriff's K-9 Donations
Government Law Library	1140010	Government Law Library*

*May include civil or other non-criminal-related cost/revenue.

Table A9. LFO Revenue Criteria for Shelby County

Criteria for Shelby County Annual Adopted Budget Documents for FYs 2010-2021

Operating Division	Fund	Accounting Code & Prime Account	Accounting Code & Descriptor
Detailed Categories (available for FYs 2007-2014)			
Corrections	All Funds	All Programs	45 – Charges for Services
			46 – Fines, Fees & Permits
Community Services	General Fund	4804 Community & Diversion Services	46 – Fines, Fees & Permits
		4806 Crime Victims Center	46 – Fines, Fees & Permits
		4811 Pretrial Services	45 – Charges for Services
			46 – Fines, Fees & Permits
Sheriff	All Funds	All Programs	45 – Charges for Services
			46 – Fines, Fees & Permits
	Special Revenue Funds	All	47 – Other Revenue
Judicial	General Fund	7021 Circuit Court	46 – Fines, Fees & Permits*
		7031 Criminal Court	46 – Fines, Fees & Permits
		7041 General Sessions Court	46 – Fines, Fees & Permits*
		7061 Juvenile Court Judge	45 – Charges for Services*
		7071 Juvenile Court Clerk	46 – Fines, Fees & Permits*
		7080 Public Defender	46 – Fines, Fees & Permits
		7090 Attorney General	45 – Charges for Services
	084 General Sessions Court Clerk Fund	7041 General Sessions Court	46 – Fines, Fees & Permits*
	085 Criminal Court Clerk Fees Fund	7031 Criminal Court	46 – Fines, Fees & Permits
	095 DUI Treatment Fines Fund	7041 General Sessions Court	46 – Fines, Fees & Permits
	096 Drug Court Fund	7041 General Sessions Court	46 – Fines, Fees & Permits
General Categories (available for all years)			
Corrections	All Funds	All Programs	45 – Charges for Services
			46 – Fines, Fees & Permits
Sheriff	All Funds	All Programs	45 – Charges for Services
			46 – Fines, Fees & Permits
	Special Revenue Funds	All Programs	47 – Other Revenue
Judicial	All Funds	All Programs	45 – Charges for Services*
			46 – Fines, Fees & Permits*

*May include civil or other non-criminal-related cost/revenue.

Table A10. Criteria for Criminal Justice, Public Safety, and Judicial Expenditures for Shelby County

Criteria for County Annual Adopted Budget Documents for FYs 2010-2021

Operating Division	Fund	Accounting Code & Prime Account
Detailed Categories (only available for FYs 2007-2014)		
Corrections	All Funds	All Programs
Community Services	General Fund	4804 Community & Diversion Services
		4806 Crime Victims Center
		4811 Pretrial Services
Sheriff	All Funds	All Programs
Judicial	All Funds	7021 Circuit Court*
		7031 Criminal Court
		7041 General Sessions Court*
		7061 Juvenile Court Judge*
		7071 Juvenile Court Clerk*
		7080 Public Defender
		7090 Attorney General
	084 General Sessions Court Clerk Fund	7041 General Sessions Court*
	085 Criminal Court Clerk Fees Fund	7031 Criminal Court
	095 DUI Treatment Fines Fund	7041 General Sessions Court
	096 Drug Court Fund	7041 General Sessions Court
General Categories (available for all years)		
Corrections	All Funds	All Programs
Sheriff	All Funds	All Programs
Judicial	All Funds	All Programs*

*May include civil or other non-criminal-related cost/revenue.

Table A11. Results of County LFO Revenue Analysis

County	Avg. Annual Fee & Fine Revenue (in 2019 millions of $)		Avg. Annual Per Capita Fee & Fine Revenue (in 2019 $)		As % of Local Tax Revenue		As % of Public Safety Expenditures	
	2007-2009	2017-2019	2007-2009	2017-2019	2007-2009	2017-2019	2007-2009	2017-2019
State-Audited Counties								
Anderson	$2.1	$1.9	$28	$25	2.9%	2.4%	17.1%	12.8%
Bedford	$2.0	$2.2	$45	$44	6.0%	5.3%	29.6%	19.8%
Benton	$0.6	$0.5	$36	$33	4.9%	4.1%	18.9%	13.4%
Bledsoe	$0.2	$0.2	$14	$12	3.8%	3.1%	9.3%	6.0%
Blount	$6.4	$6.0	$52	$46	5.6%	4.1%	26.6%	22.0%
Bradley	$4.5	$3.3	$46	$31	6.1%	3.7%	22.2%	14.2%
Campbell	$1.2	$1.2	$30	$29	5.0%	4.0%	20.7%	13.2%
Cannon	$0.4	$0.7	$29	$46	5.4%	7.5%	17.9%	25.4%
Carroll	$1.2	$0.9	$43	$32	7.3%	4.5%	32.8%	16.5%
Carter	$1.8	$1.2	$30	$21	5.9%	3.3%	29.0%	12.3%
Cheatham	$1.1	$1.1	$29	$26	3.4%	3.0%	19.7%	15.1%
Chester	$0.4	$0.4	$26	$24	5.4%	4.1%	13.2%	11.3%
Claiborne	$0.8	$0.8	$25	$24	4.1%	3.6%	17.4%	12.4%
Clay	$0.3	$0.3	$34	$43	5.4%	6.1%	19.9%	19.8%
Cocke	$1.0	$1.0	$28	$29	4.0%	3.6%	20.5%	16.8%
Coffee	$2.9	$3.2	$55	$58	6.0%	5.5%	32.8%	28.1%
Crockett	$0.4	$0.3	$27	$22	4.8%	3.3%	18.0%	12.5%
Cumberland	$1.2	$1.4	$23	$24	3.0%	3.0%	11.0%	15.3%
Decatur	$0.4	$0.4	$31	$32	5.6%	4.4%	19.0%	14.7%
DeKalb	$0.6	$0.4	$33	$19	5.4%	2.7%	24.7%	9.8%
Dickson	$3.2	$5.2	$66	$98	6.1%	8.9%	20.3%	30.9%
Dyer	$1.1	$1.2	$29	$31	3.3%	3.3%	19.7%	17.5%
Fayette	$1.1	$1.1	$28	$27	4.6%	3.8%	9.2%	14.4%
Fentress	$0.4	$0.4	$27	$24	5.3%	4.1%	23.5%	13.3%
Franklin	$1.4	$1.6	$34	$39	4.5%	4.4%	15.9%	18.7%
Gibson	$1.0	$0.8	$21	$17	3.5%	2.2%	19.7%	10.8%
Giles	$1.1	$1.5	$36	$53	4.3%	5.7%	29.0%	28.1%
Grainger	$0.4	$0.4	$18	$18	3.7%	3.4%	13.9%	10.7%
Greene	$3.1	$2.6	$45	$37	6.9%	5.0%	26.2%	19.5%
Grundy	$0.4	$0.4	$26	$27	5.6%	4.9%	21.9%	13.6%
Hamblen	$1.8	$2.0	$29	$31	3.3%	3.4%	25.2%	19.2%
Hancock	$0.2	$0.2	$29	$24	6.7%	5.7%	11.0%	7.4%

County	Avg. Annual Fee & Fine Revenue (in 2019 million of $)		Avg. Annual Per Capita Fee & Fine Revenue (in 2019 $)		As % of Local Tax Revenue		As % of Public Safety Expenditures	
	2007-2009	2017-2019	2007-2009	2017-2019	2007-2009	2017-2019	2007-2009	2017-2019
Hardeman	$1.0	$1.0	$34	$41	6.1%	6.4%	14.9%	28.3%
Hardin	$0.8	$0.8	$32	$32	4.0%	3.1%	28.5%	20.7%
Hawkins	$1.6	$1.4	$28	$25	4.4%	3.5%	30.0%	17.3%
Haywood	$1.2	$1.3	$65	$73	8.4%	7.4%	23.0%	26.3%
Henderson	$1.2	$1.5	$44	$54	6.5%	7.7%	22.6%	26.7%
Henry	$1.1	$1.3	$35	$37	4.4%	4.3%	24.8%	22.6%
Hickman	$0.8	$0.8	$34	$33	6.0%	5.1%	18.1%	22.1%
Houston	$0.1	$0.1	$20	$18	3.4%	2.6%	12.4%	9.6%
Humphreys	$0.6	$0.9	$31	$48	4.7%	5.4%	25.7%	27.3%
Jackson	$0.3	$0.2	$25	$20	5.0%	3.5%	9.4%	8.4%
Jefferson	$1.5	$1.7	$30	$31	4.2%	3.6%	17.7%	17.6%
Johnson	$0.6	$0.4	$32	$21	6.7%	4.3%	20.0%	11.4%
Lake	$0.2	$0.2	$23	$29	5.9%	5.8%	12.5%	12.8%
Lauderdale	$0.8	$0.7	$28	$26	5.0%	4.2%	14.7%	11.0%
Lawrence	$1.2	$1.2	$28	$28	3.8%	3.7%	18.2%	15.6%
Lewis	$0.3	$0.3	$25	$21	4.7%	3.2%	17.2%	11.2%
Lincoln	$1.3	$1.4	$38	$41	6.1%	5.2%	24.7%	18.5%
Loudon	$1.8	$1.6	$39	$31	4.6%	3.4%	23.5%	17.0%
Macon	$0.7	$1.0	$34	$40	5.3%	6.3%	19.9%	24.4%
Madison	$3.3	$3.9	$34	$40	3.3%	3.4%	19.2%	13.8%
Marion	$1.0	$0.9	$36	$31	4.8%	3.6%	27.3%	15.5%
Marshall	$0.8	$1.1	$27	$32	3.0%	3.5%	18.5%	18.7%
Maury	$2.6	$3.3	$33	$35	3.5%	3.4%	20.2%	20.8%
McNairy	$0.7	$0.5	$29	$18	5.3%	3.7%	34.5%	18.9%
Meigs	$0.6	$0.3	$48	$27	10.2%	5.0%	33.7%	13.6%
Monroe	$1.4	$1.3	$31	$27	4.6%	3.7%	21.1%	14.8%
Montgomery	$5.8	$5.9	$35	$29	3.7%	2.8%	20.8%	15.5%
Moore	$0.2	$0.1	$26	$22	3.1%	1.6%	13.3%	8.3%
Morgan	$0.5	$0.5	$23	$21	5.3%	4.4%	16.6%	11.8%
Obion	$0.9	$0.8	$28	$27	3.7%	3.5%	22.8%	19.3%
Overton	$0.6	$0.5	$28	$22	5.7%	3.7%	18.3%	12.5%
Perry	$0.2	$0.3	$26	$31	3.9%	4.2%	10.5%	10.5%
Pickett	$0.1	$0.1	$25	$30	3.8%	3.9%	12.4%	9.1%
Polk	$0.7	$0.5	$39	$32	6.2%	5.1%	22.8%	10.3%

County	Avg. Annual Fee & Fine Revenue (in 2019 millions of $)		Avg. Annual Per Capita Fee & Fine Revenue (in 2019 $)		As % of Local Tax Revenue		As % of Public Safety Expenditures	
	2007-2009	2017-2019	2007-2009	2017-2019	2007-2009	2017-2019	2007-2009	2017-2019
Putnam	$3.1	$2.7	$44	$35	4.1%	3.0%	27.6%	18.4%
Rhea	$1.3	$1.1	$42	$33	7.3%	4.5%	26.5%	18.4%
Roane	$1.8	$1.7	$33	$31	3.8%	3.3%	18.1%	18.6%
Robertson	$2.1	$2.2	$32	$32	3.4%	2.8%	19.8%	15.8%
Rutherford	$8.7	$10.6	$35	$33	3.2%	2.7%	19.9%	13.6%
Scott	$1.0	$0.7	$46	$30	8.5%	4.9%	26.9%	14.1%
Sequatchie	$0.5	$0.3	$37	$20	6.2%	2.8%	19.7%	9.2%
Sevier	$2.2	$2.5	$25	$26	1.5%	1.3%	17.6%	13.0%
Smith	$0.7	$0.6	$34	$33	5.1%	4.4%	12.8%	14.4%
Stewart	$0.3	$0.3	$26	$24	4.1%	3.3%	13.3%	9.3%
Sullivan	$4.4	$3.4	$28	$23	3.1%	2.3%	18.5%	13.5%
Sumner	$5.5	$5.7	$35	$31	4.0%	3.2%	36.6%	19.4%
Tipton	$1.7	$1.3	$29	$22	4.4%	3.4%	21.2%	13.2%
Trousdale	$0.9	$0.6	$120	$51	15.0%	6.4%	30.1%	1.0%
Unicoi	$1.1	$0.9	$58	$49	9.0%	6.7%	34.4%	19.1%
Union	$0.5	$0.4	$25	$21	5.9%	3.9%	22.4%	12.7%
Van Buren	$0.2	$0.3	$41	$44	6.9%	6.9%	20.8%	18.7%
Warren	$1.5	$1.4	$38	$35	5.4%	5.0%	24.1%	17.2%
Washington	n/a	$3.7	n/a	$29	n/a	2.8%	n/a	16.8%
Wayne	$0.7	$0.5	$44	$31	8.8%	5.1%	29.8%	14.4%
Weakley	$1.2	$0.8	$35	$23	6.0%	3.6%	28.3%	18.2%
White	$0.7	$0.8	$28	$30	5.1%	5.1%	17.0%	15.4%
Williamson	$5.4	$4.9	$31	$21	1.8%	1.0%	28.8%	17.1%
Wilson	$3.4	$3.7	$31	$26	2.8%	2.1%	18.2%	13.3%
Other Counties								
Davidson	$38.3	$16.8	$52	$24	3.3%	1.1%	12.0%	4.9%
Hamilton	$4.2	$3.2	$11	$9	1.2%	0.8%	6.5%	4.4%
Knox	$4.4	$4.9	$9	$11	1.0%	1.0%	4.9%	4.7%
Shelby	$34.5	$24.3	$31	$25	3.7%	2.6%	10.8%	7.7%

Due to differences in the data sources, all counties are not comparable with one another.
Source: The Sycamore Institute's analysis of data from the Tennessee Comptroller of the Treasury (9), Davidson (10), Hamilton (12) (11), Knox (13), and Shelby (14) Counties, the U.S. Census Bureau (16) (15), and the U.S. Bureau of Economic Analysis (17)

Analysis of County LFO Variation

We also examined the relationship between LFO revenues, assessments, and collections and county characteristics. For these analyses, we relied on the CAFR data used throughout this report, as well as FY 2012 criminal court assessment and collections data collected by the Administrative Office of the Courts (AOC) and reported by the Tennessee Advisory Council on Intergovernmental Relations (TACIR). In total, the AOC was able to collect court data from 84 of Tennessee's 95 counties. The CAFR data allow us to examine how total fee and fine revenues are associated with county level factors.

The AOC data complement these analyses in three important ways. First, they capture all collections – not just those used to fund local government – and also reflect total amounts assessed. Second, although there is less overall coverage with the AOC data, unlike the CAFR data, they contain comparable data from 3 of Tennessee's 4 most populous counties. This allows us to overcome some of the comparability concerns in the CAFR data and get a more complete picture of how county level factors are related to criminal fees and fines (**Figure A1**). Finally, they clearly separate criminal from civil court assessments.

Figure A1. Criminal Court Data are Available for 84 of Tennessee's 95 Counties

Data Availability for LFOs Assessed and Collected in Criminal Courts (FY 2012)
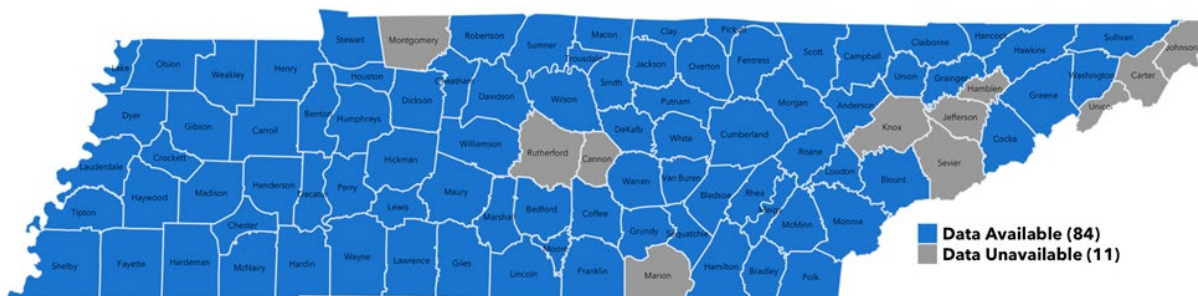
Source: The Sycamore Institute's analysis of financial data from the Tennessee Administrative Office of the Courts (AOC) as reported by the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) (20)

Table A12 provides a detailed description of each of the data sources, and **Table A13** documents descriptive statistics for each of the measures.

Table A12. Detailed Data Descriptions for County Variation Analysis

Measure	Source	Year	Description
LFO Data			
Per Capita Total LFO Revenues	Tennessee Comptroller of the Treasury (9)	2016-2018 3-Year Annual Average	The per capita annual total amount of revenues from LFOs averaged over a 3-year period
Per Capita Criminal Court LFO Assessments	TACIR Report (20)	FY 2012	The total dollar amount of criminal court fines, fees, and costs collected during FY 2012 divided by the county population in 2012
Per Capita Criminal Court LFO Collections	TACIR Report (20)	FY 2012	The total dollar amount of criminal court fines, fees, and costs collected during FY 2012 divided by the county population in 2012
Criminal Court LFO Collection Rate	TACIR Report (20)	FY 2012	Total criminal court LFO collections divided by total criminal court LFO assessments
County Demographics			
Population	U.S. Census Bureau (16)	2012 & 2016-2018 Estimates	The total estimated resident population of counties
% of Population Non-white	American Community Survey (21)	2012 & 2016-2018 5-Year Estimates	The percentage of the county population for whom race could be determined not classified as being white alone
% of Population Below Poverty	American Community Survey (22)	2012 & 2016-2018 5-Year Estimates	The percentage of the county population for whom poverty status could be determined that live below the federal poverty line
% of Population With 2-Year Degree or More	American Community Survey (23)	2012 & 2016-2018 5-Year Estimates	The percentage of the county population age 25 and older for whom educational attainment could be determined that has at least a 2-year degree
Unemployment Rate	U.S. Bureau of Labor Statistics (24)	2012 & 2016-2018	The percentage of the labor force that is unemployed
Crime			
County Crime Rates	Tennessee Bureau of Investigation (25)	2012 & 2016-2018	The total number of crimes per 1,000 residents
Tax Assessments			
Per Capita Property Tax Collections	Tennessee Comptroller of the Treasury (26)	2012 & 2016-2018	The total dollar amount of property taxes collected divided by the county population

Table A13. Summary Statistics

Measure	Median	Standard Deviation	Minimum	Maximum
LFO Data				
Per Capita Total LFO Revenues (2016-2018)	$30	$13	$13	$103
Per Capita Criminal Court LFO Assessments (2012)	$49	$27	$13	$165
Per Capita Criminal Court LFO Collections (2012)	$16	$11	$3	$56
Criminal Court LFO Collection Rate (2012)	32.0%	10.7%	10.2%	65.6%
County Demographics				
Population (2016-2018)	28,896	51,826	5,069	316,197
% of Population Non-white (2016-2018)	6.4%	9.8%	1.9%	54.5%
% of Population Below Poverty (2016-2018)	18.5%	4.4%	4.7%	29.4%
% of Population With 2-Year Degree or More (2016-2018)	20.3%	7.5%	13.3%	64.4%
Unemployment Rate (2016-2018)	4.7%	.9%	2.9%	6.4%
Population (2012)	29,970	127,322	5,048	939,618
% of Population Non-white (2012)	6.8%	11.5%	0.7%	58.6%
% of Population Below Poverty (2012)	19.2%	4.5%	5.8%	32.7%
% of Population With 2-Year Degree or More (2012)	18.2%	7.6%	9%	58%
Unemployment Rate (2012)	9.3%	1.7%	5%	15.5%
Crime				
County Crime Rates (2016-2018)	58.2	20	21.4	120.8
County Crime Rates (2012)	62.6	23.7	24.7	140.1
Tax Assessments				
Per Capita Property Tax Collections (2016-2018)	$19,332	$6,234	$12,337	$53,876
Per Capita Property Tax Collections (2012)	$18,407	$13,024	$10,307	$127,814

Our Methodology and Limitations

To start, we looked at the bivariate associations between counties that had low and high values of each of our six LFO measures and the county-level factors listed in **Table A13**. Counties were classified as being low on an LFO measure if they were at our below the 25th percentile of counties for which there were data on that measure. Counties classified as high on an LFO measure were at or about the 75th percentile. These bivariate associations are useful starting point to understand how differences in LFOs are associated with other county level factors.

Next, we estimated four separate Ordinary Least Squares (OLS) regressions for each of our LFO measures to account both for how county-level characteristics are associated with LFOs, and how they are associated with one another. We regressed each LFO measure on: a) county demographics; b) unemployment and crime rates; c) tax assessments; and d) a full model that includes all measures. This allows us to discern how much these factors are related to LFOs, and how much overlap they have with one another. We chose to analyze these factors based on findings from previous research linking them to LFOs. (27) (28) (29) (30) (24)

For all of the OLS models, the independent variables have be re-scaled to range from 0 to 1 such that a score of 0 is the lowest value that variable takes on in the data and a score of 1 the highest. This transformation means that the estimated coefficient for each of the independent variables represents the associated effect of moving from the county with the lowest to the highest value on that measure. All of the models estimated use robust standard errors.

As with any statistical analysis, there are limitations to the conclusions that we can draw from the data. First, as these data are all observational, it bears noting that any significant relationships should be thought of as associations rather than causal. The fact that the factors we analyze have previously been linked to LFOs strengthens the notion that these are more than chance associations, but the limitations of observational research are worth keeping in mind all the same. Second, while we chose to analyze the factors we did based on previous research, it is entirely possible that some omitted factor or set of factors is impacting our results. While this is potentially an issue with our analyses, this is a problem with any statistical analysis. We chose the factors we did based on a combination of prior research, available data, and parsimony. Third and finally, our data only offer a limited picture of the impact of LFOs in Tennessee. While we have robust data on the fee and fine revenues that ultimately go toward funding state and county budgets, our data on LFOs in the criminal justice system as a whole are considerably more limited. However, we try to overcome this by using the best available data on LFOs in criminal courts to at least get a sense of the landscape. Future research on this topic would be aided by better, more complete data.

Bivariate Associations Results and Discussion

Tables A14 & **A15** display the bivariate associations between our six LFO measures and county-level factors. We discuss the associations between the county-level factors and the 2016-2018 average annual revenues CAFR data and the 2012 AOC data separately.

Table A14 shows the bivariate associations between the 2016-2018 CAFR data and several county-level factors. Counties ranking at the 25th percentile or lower for per capita LFO revenues, LFO revenues as a share of total tax revenues, and LFO revenues as a share of public safety expenditures tended to have lower crime rates and relatively smaller non-white populations. The results for the other county-level factors were more opaque. For example, while per capita property tax collections and the proportion of residents with at least a 2-year degree were higher in counties at or below the 25th percentile for per capita LFO revenues and LFO revenues as a share of total tax revenues, they were lower in counties at or below the 25th percentile for LFO revenues as a share of public safety expenditures. Unemployment did not vary significantly between counties at or below the 25th percentile for the CAFR LFO measures as opposed to those at or above the 75th percentile.

Table A14. Bivariate Associations Between County Characteristics and Per Capita LFO Revenues, LFO Revenues as a Share of All Local Tax Revenues, and LFOs as a Share of All Public Safety Spending (FYs 2016-2018)

County Characteristic	Per Capita LFO Revenues		LFO Revenues As a Share of All Local Tax Revenues		LFO Revenues As a Share of Public Safety Spending	
	Low	High	Low	High	Low	High
% of Population Non-white	7.9%	13.2%	9.8%	11.9%	9.1%	12.6%
% of Population Below Poverty	18.7%	18.2%	15.2%	19.5%	20.9%	18.0%
% of Population With 2-Year Degree or More	22.5%	21.1%	28.1%	18.7%	18.6%	21.9%
Unemployment Rate	4.9%	4.5%	4.4%	4.9%	5.2%	4.4%
Crimes per 1,000 Residents	47.3	65.9	58.2	58.5	44.2	66.7
Per Capita Property Tax Collections	$20.1k	$19.9k	$24.5k	$18.2k	$18.6k	$20.2k

Note: Counties classified as having low per capita revenues from legal financial obligations (LFOs), LFO revenues as a share of all local tax revenues, and LFO revenues as a share all public safety spending were at or below the 25th percentile for the 90 state-audited counties. Those in the high category were at or above the 75th percentile. Excludes Davidson, Hamilton, Knox, McMinn, and Shelby Counties whose annual financials are independently audited. Does not include revenues from entities with jurisdiction over exclusively civil matters (e.g. Chancery Court) but includes revenues from entities with shared jurisdiction (e.g. General Sessions Court).
Source: The Sycamore Institute's analysis of data from the Tennessee Comptroller of the Treasury, the U.S. Bureau of Economic Analysis, and the U.S. Census Bureau (31) (17) (32) (33) (24)

Table A15. Bivariate Associations Between County Characteristics and Per Capita LFO Assessments, Per Capita LFO Collections, and LFO Collection Rates in Tennessee Criminal Courts (CY 2012)

County Characteristic	Per Capita LFO Assessments		Per Capita LFO Collections		LFO Collection Rates	
	Low	High	Low	High	Low	High
% of Population Non-white	10.4%	13.4%	13.0%	9.9%	11.3%	10.4%
% of Population Below Poverty	18.9%	21.5%	19.6%	18.5%	21.1%	17.4%
% of Population With 2-Year Degree or More	20.8%	19.5%	19.5%	19.6%	19.7%	21.8%
Unemployment Rate	9.2%	9.6%	9.7%	8.9%	9.8%	8.6%
Crimes per 1,000 Residents	59.0	72.8	69.2	68.2	73.3	58.4
Per Capita Property Tax Collections	$24.3k	$18.8k	$22.7k	$19.9k	$17.9k	$20.4k

Note: Counties classified as having low per capita assessments of legal financial obligations (LFOs), per capita collections of LFOs, and LFO collection rates in criminal courts were at or below the 25th percentile for the 84 counties with available data. Those in the high category were at or above the 75th percentile.
Source: The Sycamore Institute's analysis of data from TACIR, the Tennessee Comptroller of the Treasury, the U.S. Bureau of Economic Analysis, and the U.S. Census Bureau (20) (31) (17) (32) (33) (24)

Table A15 displays the bivariate associations between the 2012 AOC data and the same county-level factors as before. Unlike with the 2016-2018 CAFR data, no clear picture emerges from the bivariate associations on all measures. For example, while counties at or below the 25th percentile for per capita LFO assessments tended to have relatively smaller non-white populations and lower crime rates, the same was true for counties at or above the 75th percentile for per capita LFO collections and collection rates. Likewise, while per capita property tax collections were highest in counties at or below the 25th percentile for per capita LFO assessments and collections, property tax collections were lower in counties at or below the 25th percentile for LFO collection rates. One commonality between the AOC data and the CAFR data, however, is that of unemployment – rates did not vary significantly between counties that ranked at or below the 25th percentile on the various LFO measures as opposed to those at or above the 75th percentile.

Taken together, the bivariate associations in **Tables A14** and **A15** offer a few takeaways. First, while there does appear to be some variation between counties that rank relatively low as opposed to high on the LFO measures analyzed here, that variation does not offer much in the way of clear, consistent patterns. This lack of a clear pattern could indicate that other factors not considered here could matter more for LFOs. However, the mixed results could also be due to the fact that the county-level factors are not just related to LFOs, but also related to one another. Thus, these raw bivariate associations, while a good first step, are not sufficient ways by which to analyze these relationships. In order to overcome these issues and better grasp the relationships between the LFO measures and the county-level factors considered here, we next turn to our analyses that utilize multiple OLS regression.

OLS Results and Discussion

Tables A16-A21 display the estimated coefficients for these models with their associated standard errors below in parentheses. We discuss the models using the 2016-2018 average annual revenues CAFR data and those using the 2012 AOC data separately.

Table A16 shows the regression results for 2016-2018 average annual per capita LFO revenues. In terms of demographics, education emerged as the strongest associated factor with LFO revenues. While all of the demographic measures appeared to have a statistically meaningful relationship with LFO revenues in the small model that excluded other factors (column 1), only the percentage of a county's population with at least a 2-year degree remained so after accounting for them (column 4). All else equal, moving from the county with the lowest proportion of residents with at least a 2-year degree to the highest is associated with a nearly $42 decrease in expected per capita LFO revenues. Crime rates also appear to be statistically related to LFO revenues, albeit to a lesser degree. Moving from the county with the lowest crime rates to the highest is associated with an almost $24 increase in per capita LFO revenues, all else equal. Together, the predictors included in the model jointly explain about a quarter of the variation in per capita county LFO revenues.

Table A16. OLS Regressions of 2016-2018 Average Annual Total Per Capita LFO Revenues in 90 State-Audited Counties on County Characteristics

	(1)	(2)	(3)	(4)
% of Population Non-white	20.07*			14.85
	(10.78)			(10.13)
% of Population Below Poverty	-22.43*			-12.64
	(12.17)			(10.32)
% of Population With 2-Year Degree or More	-27.42**			-41.68**
	(12.55)			(17.60)
Unemployment Rate		-5.48		-13.45*
		(5.77)		(7.69)
Crime Rate		24.98***		23.95***
		(8.98)		(8.47)
Per Capita Property Tax Collections			-1.06	5.25
			(6.71)	(12.86)
Constant	46.66***	26.76***	32.36***	42.48***
	(9.40)	(4.19)	(1.93)	(8.62)
Observations	90	90	90	90
R-squared	0.11	0.14	0.00	0.24

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table A17. OLS Regressions of 2016-2018 Average Annual Amount of LFO Revenues for Every Dollar in Local Tax Revenues in 90 State-Audited Counties on County Characteristics

	(1)	(2)	(3)	(4)
% of Population Non-white	1.82**			1.63
	(0.85)			(1.02)
% of Population Below Poverty	-0.82			-0.22
	(1.29)			(1.18)
% of Population With 2-Year Degree or More	-5.86***			-5.64**
	(1.48)			(2.15)
Unemployment Rate		1.12		-1.37
		(0.75)		(0.88)
Crime Rate		0.68		0.58
		(1.03)		(0.92)
Per Capita Property Tax Collections			-4.24***	-1.72
			(0.61)	(1.62)
Constant	5.45***	3.43***	5.06***	5.95***
	(1.00)	(0.61)	(0.21)	(1.04)
Observations	89	89	89	89
R-squared	0.26	0.03	0.18	0.31

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table A17 shows the regression results for 2016-2018 average annual LFO revenues as a share of all local tax revenues. As with per capita revenues education emerged as the strongest associated factor with LFO revenues. All else equal, moving from the county with the lowest proportion of residents with at least a 2-year degree to the highest is associated with a nearly 6¢ decrease in expected LFO revenues for every dollar of local tax revenue. No other factor analyzed emerged as statistically meaningful in the full model (column 4). Together, the predictors included in the model jointly explain almost a third of the variation in LFO revenues as compared to local tax revenues.

Table A18 shows the regression results for 2016-2018 average annual LFO revenues as a share of public safety expenditures. In the models analyzed, crime rates emerged as the only statistically significant predictor. All else equal, moving from the county with the lowest crime rates to the highest is associated with a nearly 10¢ increase in expected LFO revenues for every dollar spent on public safety (column 4). Overall, the factors analyzed here were less successful in explaining variation in how LFO revenues compared to public safety expenditures than for the other dependent variables. They jointly explained just 15% of the variation in LFO revenues as compared to public safety expenditures.

Table A18. OLS Regressions of 2016-2018 Average Annual Amount of LFO Revenues for Every Dollar Spent on Public Safety in 90 State-Audited Counties on County Characteristics

	(1)	(2)	(3)	(4)
% of Population Non-white	5.82			3.15
	(4.03)			(4.48)
% of Population Below Poverty	-4.35			-1.43
	(5.63)			(4.90)
% of Population With 2-Year Degree or More	-1.71			-5.44
	(5.74)			(8.37)
Unemployment Rate		-3.27		-5.10
		(2.56)		(3.65)
Crime Rate		10.52***		9.95***
		(3.61)		(3.67)
Per Capita Property Tax Collections			0.78	-1.46
			(3.72)	(6.31)
Constant	18.52***	14.86***	16.46***	17.58***
	(4.26)	(2.02)	(0.99)	(4.50)
Observations	89	89	89	89
R-squared	0.04	0.13	0.00	0.15

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Tables A19-21 show the results for the models that analyze 2012 LFO collections and assessments in criminal courts. Taken together, the estimated models below provide for two main conclusions. First, criminal courts in poorer counties appear to assess significantly more LFOs per capita (**Table A17**) and are less successful at collecting them (**Table A19**). Even after controlling for other county level factors, the percentage of a county's population in poverty explains both a statistically and substantively significant amount of the variation in the per capita amount of criminal court LFOs assessed in Tennessee counties. Second, the county characteristics examined here are not very useful for

understanding why counties vary in terms of the actual dollar amount of criminal court LFOs collected (**Table A18**). This is somewhat surprising, as it means that county level poverty rates appear to be largely unrelated to the actual amount of money counties are able to collect in LFOs. Further, this illustrates that the significant relationship between poverty rates and collection rates in **Table A19** is an artifact of the fact that poorer counties tend to have higher per capita LFO assessments. More research in needed to illuminate why some counties collect more per capita LFOs than others.

Table A19 shows the regression results for per capita LFO assessments in criminal courts. The percentage of a county's population living below the poverty line and per capita property tax collections emerged as statistically meaningful predictor of LFO assessments. As column 1 shows, moving from the county with the lowest poverty rate to the highest is associated with about a $60 increase in a county's expected per capita LFO assessments, all else equal. This relationship holds true in the full model (column 4) in terms of both magnitude and significance, which adds confidence to the relationship. Put plainly, counties with poorer residents tend to also have higher per capita LFO assessments, even when accounting for race, education, crime rates, and property tax revenues. Per capita property tax collections also appear to be related to LFO assessments. All else equal, moving from the county with the lowest per capita property taxes to the highest is associated with about a $25 decline in per capita LFO assessments. However, the low R^2 value in column 3 indicates that property taxes, while significant, leave much of the variation in LFO assessments unexplained.

Table A19. OLS Regressions of 2012 Total Per Capita LFO Assessments on County Characteristics

	(1)	(2)	(3)	(4)
% of Population Non-white	11.76 (20.40)			5.70 (23.23)
% of Population Below Poverty	60.45** (28.71)			67.88** (32.93)
% of Population With 2-Year Degree or More	29.81 (28.98)			15.77 (22.48)
Unemployment Rate		9.22 (14.80)		-29.43 (23.64)
Crime Rate		23.71* (12.80)		12.30 (13.34)
Per Capita Property Tax Collections			-28.68*** (9.17)	-24.99** (11.15)
Constant	14.74 (17.26)	41.49*** (7.68)	56.32*** (3.40)	24.93* (13.60)
Observations	84	84	84	84
R-squared	0.10	0.04	0.01	0.13

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table A20 shows the regression results for per capita LFO collections. None of the predictors estimated offer much explanatory power for LFO collections. All of the estimated coefficients fail to achieve standard levels of statistical significance and are substantively small. In addition, the low R^2

values for all of the models further indicate that these county characteristics are not very helpful for understanding how counties vary in terms of their LFO collections.

Table A20. OLS Regressions of 2012 Total Per Capita LFO Collections on County Characteristics

	(1)	(2)	(3)	(4)
% of Population Non-white	5.34 (9.92)			4.79 (11.28)
% of Population Below Poverty	-1.49 (10.98)			5.73 (12.46)
% of Population With 2-Year Degree or More	-5.35 (12.82)			-15.46 (10.77)
Unemployment Rate		-7.95 (6.64)		-21.68* (11.19)
Crime Rate		2.68 (5.85)		2.75 (5.33)
Per Capita Property Tax Collections			-6.02 (3.79)	-4.49 (5.82)
Constant	18.36** (7.13)	19.59*** (3.64)	17.85*** (1.31)	25.34*** (6.37)
Observations	84	84	84	84
R-squared	0.01	0.02	0.00	0.06

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table A21 shows the regression results for LFO collection rates. As with per capita LFO assessments, the percentage of a county's population living below the poverty line emerged as a statistically meaningful predictor of LFO collection rates. As column 1 shows, moving from the county with the lowest poverty rate to the highest is associated with about a 31 percentage point decrease in a county's expected LFO collection rates, all else equal. This relationship holds true in the full model (column 4) in terms of both magnitude and significance, which adds confidence to the relationship. Put simply, poorer counties tend to have lower LFO collection rates, all else being equal. The percentage of a county's population with at least a 2-year degree also emerges as significant in both the demographics only (column 1) and full models (column 4). Moving from the county with the lowest education rates to the highest is associated with about a 28 percentage point decline in collection rates. Although the bivariate relationship between crime rates and LFO assessments is marginally significant (column 2), the small associated effect size, the low R^2 value of the model, and the fact that it fails to achieve significance in the full model (column 4) indicate that it doesn't explain much variation in LFO assessments. Property tax rates also appear to be largely unrelated to LFO collection rates (column 3).

Table A21. OLS Regressions of 2012 LFO Collection Rates on County Characteristics

	(1)	(2)	(3)	(4)
% of Population Non-white	0.50 (5.19)			4.00 (6.02)
% of Population Below Poverty	-31.47*** (8.35)			-21.42** (9.42)
% of Population With 2-Year Degree or More	-20.51** (9.73)			-28.34** (13.25)
Unemployment Rate		-19.48*** (7.13)		-22.10* (12.08)
Crime Rate		-10.33* (5.59)		-5.30 (6.10)
Per Capita Property Tax Collections			3.31 (6.55)	2.21 (4.89)
Constant	52.95*** (6.00)	44.28*** (3.36)	32.33*** (1.39)	59.81*** (7.98)
Observations	84	84	84	84
R-squared	0.14	0.12	0.00	0.20

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

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