

purchased under Section 1 to the National Motor Vehicle Title Information System at the time of the transaction or no later than 24 hours after the close of business on the day of the transaction. Any person who violates the Section 1 requirements pertaining to the creation or maintenance of a statement shall be fined \$1,000 per violation. Any person who fails to provide the mandated notice to the National Motor Vehicle Title Information System in a timely manner shall be fined \$1,000 per violation.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of SB 163 on local governments is expected to be a nil to minimal increase in costs.

Section 2 of SB 163 amends KRS 186A.990 to establish various crimes that are labelled forgery in the second degree (KRS 516.030). Forgery in the second degree is a Class D felony.

When a court denies bail to a Class D felony defendant, the local government is responsible for incarcerating the defendant until disposition of the case in one of Kentucky's 78 full service jails or five life safety jails. While the expense of housing inmates varies by jail, each additional inmate increases facility costs by an estimated average cost of \$31.34 per day. Upon sentencing, a Class D felon is housed in one of Kentucky's full service jails for the duration of his or her sentence. The Department of Corrections pays a jail \$31.34 per day to house a Class D felon. Since the per diem pays for the estimated average cost of housing a Class D felon, the per diem may be less than, equal to, or greater than the estimated housing cost.

It is necessary to reason by analogy in order to establish the fiscal cost of the amendment to KRS 186A.990 found in Section 2 of SB 163. Subsection (1) of KRS 186A.990 already establishes various crimes pertaining to fraud in the registering or titling of a motor vehicle. Each of these crimes is labelled a forgery in the second degree, a Class D felony. According to the Administrative Office of the Courts, there have been fewer than three of these crimes in each of the last four calendar years. It seems doubtful that the Section 2 amendment would generate more charges and convictions than KRS 186A.990 (1). So, each year there should be no more than a handful of individuals charged with committing a crime under Section 2 of SB 163. In the unlikely event that one of these individuals is denied bail, a local jail will have to pay for the cost of incarceration until disposition of the case. However, if there is a conviction, the Department of Corrections pays the local jail the estimated average cost of \$31.34 per day to house the Class D felon.

Data Source(s): Administrative Office of the Courts; Department of Corrections

Preparer: Scott Varland **Reviewer:** JWN **Date:** 2/18/16