



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

#### The fiscal impact of HB 298 on local governments would be minimal.

HB 298 would have minimal impact on local government revenue or expenses. The bill does not authorize local governments to issue wine direct shipper licenses so would not be a source of license fees; the only income potential for local governments from the bill would come from local occupational taxes, which are expected to be minimal.

The bill creates a new Class A and Class B misdemeanor, for violation of the license requirement or conditions. A person convicted of a Class B misdemeanor may be incarcerated for up to 90 days. A person convicted of a Class A misdemeanor may be incarcerated for up to twelve months. Misdemeanants are housed in one of Kentucky's 76 full service jails or five life safety jails. While the expense of housing inmates varies by jail, this estimated impact is based on \$31.34 per day, which equals the per diem and medical expenses that the Department of Corrections pays jails to house felony offenders. While the majority of misdemeanor defendants are granted bail, those who do not will also cost local jails an average of \$31.34 per day. One first-time offender of the requirements in Section 1 of the bill would cost a local jail up to approximately \$2,820.60 (90 days x \$31.34 = \$2,820.60).

**Data Sources:** Kentucky League of Cities

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