



- Failing to name the attorney or law firm that will represent clients, or how referrals will be made to attorneys and law firms that will represent clients if the sponsor of the advertisement will not be the representing attorney

HB 225 requires that an advertisement soliciting clients allegedly injured from a prescription drug approved, or the subject of a detailed study by the U.S. Food and Drug Administration include the following warning: “Do not stop taking a prescribed medication without first consulting with your doctor. Discontinuing a prescribed medication without your doctor’s advice can result in injury or death.”

HB 225 requires that an advertisement for a lawsuit solacing clients allegedly injured from a prescription drug or medical device approved by or the subject of a detailed study by the U. S. Food and Drug Administration shall disclose that the drug or device remains approved, unless the product has been recalled or withdrawn.

**Section 2:**

A person shall not use, cause to be used, obtain, sell, transfer, or disclose to another person without authorization protected health information as defined in C.F.R. sec.106.103 for the purpose of soliciting legal services.

A person who knowingly violates the above shall be guilty of a Class A misdemeanor in addition to other remedies provided by law. If the offense was committed with the intent to sell, transfer, or use protect health information for financial gain, it shall be punishable as a Class C felony.

The above does not apply to protected health information used by an individual’s legal representative.

**The fiscal impact of HB 225 on local governments is expected to be minimal.**

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 four life safety jails. While the expense of housing inmates varies by jail, this estimated impact will be 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.

When a court denies bail to a Class C felony defendant, the local government is responsible for incarcerating the defendant until disposition of the case in one of Kentucky’s 76 full service jails or four life safety jails. While the expense of housing inmates varies by jail, each additional inmate increases facility costs by an estimated average of \$31.34 per day, which equals the per diem and medical expenses that the Department of Corrections pays jails to house felony offenders. Class C felons are ineligible for placement in local jails until they are classified at the lowest custody level with 24 months or less to their minimum

expiration date or parole eligibility date. The Department of Corrections pays local jails \$31.34 per day to house these Class C felons. Since the per diem pays for the estimated average cost of housing a Class C felon, the per diem may be less than, equal to, or greater than the actual housing cost.

In addition to the above, there will be cost associated with disseminating the new violation and educating relevant personnel regarding how to administer it.

**Part III: Differences to Local Government Mandate Statement from Prior Versions**

Part II, above, pertains to the bill as introduced. There is no prior version of the bill to complete Part III.

**Data Source(s):** LRC Staff, Department of Corrections

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