

educational excellence scholarship (KEES) trust fund, and 10% to the Kentucky Thoroughbred development fund and the Kentucky standardbred development fund.

Section 8 of the bill would create two new Class C felonies: (1) tampering with the outcome of a sporting event, and (2) wagering on a sporting event in which you are a participant. In addition, **Section 28** of the bill would extend the prohibitions and sanctions applicable to lottery activities established in KRS 154A.990 to sports wagering activities.

SB 23 would have **minimal fiscal impact on local governments**. Since most cities and counties participate in the County Employees Retirement System (CERS) and not the KERS or KTRS, distributions from the sports wagering distribution trust fund to KERS and KTRS would have little impact on local government pension obligations. Distributions could have a positive fiscal impact on payment of the actuarially required contributions of school districts to the KTRS.

Local jails are a significant expense for local governments; however, SB 23 would result in minimal or no fiscal impact on local jails since the crimes created by the bill are Class C felonies and Class C felons are incarcerated in state prisons. However, 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 (DOC) 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. Since the per diem of \$31.34 paid to local jails by the DOC 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.

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

Part II pertains to the bill as drafted and there are no prior versions of the bill.

Data Source(s): LRC staff; Department of Corrections

Preparer: Mary Stephens **Reviewer:** KHC **Date:** 1/2/19