

CORRECTIONS IMPACT STATEMENT

SESSION: 20RS BILL # HB 481 Introduced BR # 2056 DOC ID #: xxxx

BILL SPONSOR(S): Rep. K. Moser AMENDMENT SPONSOR(S): . .

TITLE: AN ACT relating to deceptive lawsuit advertising and solicitation practices.

SUMMARY OF LEGISLATION: Create new sections of KRS Chapter 367 to regulate advertising for legal services.

AMENDMENT: .

This bill amendment committee substitute is expected to:

Have the following Corrections impact Have no Corrections impact

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| <input checked="" type="checkbox"/> Creates new crime(s) | <input type="checkbox"/> Repeals existing crime(s) |
| <input type="checkbox"/> Increases penalty for existing crime(s) | <input type="checkbox"/> Decreases penalty for existing crime(s) |
| <input type="checkbox"/> Increases incarceration | <input type="checkbox"/> Decreases incarceration |
| <input type="checkbox"/> Reduces inmate/offender services | <input type="checkbox"/> Increases inmate/offender services |
| <input type="checkbox"/> Increases staff time or positions | <input type="checkbox"/> Reduces staff time or positions |
| <input type="checkbox"/> Changes elements of offense for existing crime(s) | |
| <input type="checkbox"/> Otherwise impacts incarceration (Explain) . | |
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STATE IMPACT: Class A, B, & C felonies are based on an average daily prison rate of \$75.91. Community Custody Class C and most Class D felons are housed in one of seventy-seven (77) full service or regional jails for up to five (5) years. Department of Corrections' cost to incarcerate a felony inmate in a jail is \$36.70 per day, which includes \$31.34 per diem, medical costs, & central office administrative costs (substance abuse treatment not included). *Projections are based on the daily rate x 365 days x number of years. Offenders may have multiple offenses or incarcerated on other charges unless otherwise noted. Unless otherwise noted, numbers will include inchoate offenses at the underlying offense level.*

Projected Impact: NONE MINIMAL to MODERATE (< \$1 million) SIGNIFICANT (> \$1 million)

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LOCAL IMPACT: Local governments are responsible for the cost of incarcerating individuals charged with Class A or B misdemeanors and felony defendants until disposition of the case. While the expense varies by jail, this estimated impact will be based on \$31.34 per day, which equals the per diem and medical that DOC pays jails to house felony offenders. Since the per diem is an estimated average cost of housing an inmate, the per diem may not be the actual housing cost for the jail. *Projections are based on the daily rate x 365 days x number of years. Offenders may have multiple offenses or incarcerated on other charges unless otherwise noted. Unless otherwise noted, numbers will include inchoate offenses at the underlying offense level.*

Projected Impact: NONE MINIMAL to MODERATE (< \$1 million) SIGNIFICANT (> \$1 million)

This legislation regulates advertising for legal services.

Section 1 describes deceptive trade practices under KRS 367.170 if the advertisement soliciting clients for drug or medical device product liability suits fails to disclose that it is a paid advertisement for legal services; presents the advertisement as a medical, health, consumer alert, public service announcement, or similar announcement; displays a federal or state government logo suggesting affiliation or sponsorship of the agency; uses the word recall when the product has not been recalled by a government agency or manufacturer; fails to identify the sponsor of the advertisement; or fails to identify the attorney or law firm sponsoring the advertisement and whether that attorney or law firm will be performing or referring legal services.

An advertisement for legal services alleging injury from a prescription drug approved by the US Food and Drug Administration shall include a warning against stopping medication without consulting with a doctor and the dangers of doing so.

An advertisement for a lawsuit alleging injury from a prescription drug or medical device shall state the item remains approved by the FDA, unless the product has been recalled or withdrawn.

