

CORRECTIONS IMPACT STATEMENT

SESSION: 23RS BILL # HB 256 Introduced BR # 1119 DOC ID #: xxxx

BILL SPONSOR(S): Rep. T. Smith AMENDMENT SPONSOR(S): . .

TITLE: AN ACT relating to the regulation of electronic gaming devices and making an appropriation therefor.

SUMMARY OF LEGISLATION: Establish KRS Chapter 239 and create new sections to define "commission," "control," "net proceeds," "electronic gaming device," "location," "local county government," "operator," "truck stop," "vending machine"; create the Kentucky Gaming Commission and attach it to the Public Protection Cabinet for administrative purposes; establish requirements for the commissioner and members on the commission; authorize the commission to establish and maintain an office in Frankfort; require the Auditor of Public Accountants to perform an annual audit of the commission; require the commission to promulgate administrative regulations to establish standard forms for the reporting of financial conditions, operational results, gross gaming receipts and adjusted gaming receipts, the amount of prizes paid during specific reporting periods, require periodic financial reports, require annual audits of the financial statements of all licensees regulated under this chapter, and to define and limit the method of operation of electronic gaming devices; authorize the Governor to appoint an executive director; establish qualifications for an executive director of the commission; establish application requirements; establish requirements for operators and locations; require the owner or manager of a location to ensure that an identifying sticker is affixed to each electronic gaming device on its premises; require the sticker on electronic gaming devices to contain the license number of the operator that supplies the devices and the expiration date of the operator's license; establish local county government responsibilities; prohibit anyone under the age of 21 from playing an electronic gaming device; provide penalties for entities regulated under Sections 1 to 18 of this Act; create a noncodified section to establish requirements for initial licensure of members on the commission.

AMENDMENT: .

This ☒ bill ☐ amendment ☐ committee substitute is expected to:

☒ Have the following Corrections impact ☐ Have no Corrections impact

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| ☒ Creates new crime(s) | ☐ Repeals existing crime(s) |
| ☐ Increases penalty for existing crime(s) | ☐ Decreases penalty for existing crime(s) |
| ☐ Increases incarceration | ☐ Decreases incarceration |
| ☐ Reduces inmate/offender services | ☐ Increases inmate/offender services |
| ☐ Increases staff time or positions | ☐ Reduces staff time or positions |
| ☐ Changes elements of offense for existing crime(s) | |
| ☐ Otherwise impacts incarceration (Explain) . | |
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STATE IMPACT: Class A, B, & C felonies are based on an average daily prison rate of \$105.23. Community Custody Class C and most Class D felons are housed in one of seventy-four (74) full service or regional jails for up to five (5) years. Department of Corrections' cost to incarcerate a felony inmate in a jail is \$40.11 per day, which includes \$35.34 per diem, medical costs, & central office administrative costs (substance abuse treatment not included).*

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

Establishing new felony and misdemeanor offenses would impact the number of offenders potentially incarcerated and/or placed on supervision. While there is no way to predict the number of new convictions this would generate, the number of convictions under this legislation would likely be few. The expected impact to the Department under this legislation would be a very minimal cost increase.

Offenders convicted of the new Class D felony established in this bill may be eligible for housing in a jail dependent on other convictions and prior record.

DOC doesn't anticipate many new convictions for this offense. There are zero (0) inmates currently in custody for gambling related offenses. There are 9 offenders currently on supervision for gambling related offenses.

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. The estimated impact will be based on the \$40.11 cost to incarcerate for the Department of Corrections, including \$35.34 per diem and medical that DOC pays jails to house felony offenders. This cost to incarcerate may not be the actual housing cost for the jail.*

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

Creates a new Class D felony and Class A misdemeanor, which will increase local jail populations. Establishing new misdemeanor offenses could result in additional county prisoners being housed in county jails, but the impact is expected to be a minimal increase

Class D felons are housed in a county jail and DOC pays counties a per diem for housing those inmates.

Misdemeanor offenders are subject to the jurisdiction and cost of the county.

PROJECTED IMPACT FROM AMENDMENTS:

☐ NONE ☐ MINIMAL to MODERATE (< \$1 million) ☐ SIGNIFICANT (> \$1 million)

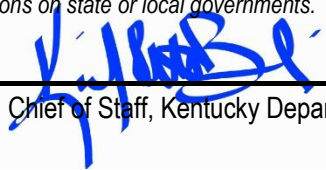
**All projections are based on the daily rate x 365 days x number of years. The cost to incarcerate as calculated by the Department is shown here as rounded to the hundredths. Offenders may have multiple offenses or be incarcerated on other charges unless otherwise noted. Unless otherwise noted, numbers will include inchoate offenses at the underlying offense level.*

The following offices contributed to this Corrections Impact Statement:

☒ Dept. of Corrections ☐ Dept. of Kentucky State Police ☐ Administrative Office of the Courts ☐ Parole Board ☐ Other

NOTE: Consideration should be given to the cumulative impact of all bills that increase the felon population, lengthens the term or incarceration, or impose new obligations on state or local governments.

APPROVED BY:



Chief of Staff, Kentucky Department of Corrections

2/23/2023

Date