

CORRECTIONS IMPACT STATEMENT

SESSION: 23RS BILL # HB 525 Introduced BR # 1488 DOC ID #: xxxx

BILL SPONSOR(S): Rep. Doan AMENDMENT SPONSOR(S): . .

TITLE: AN ACT relating to the regulation of skill games and making an appropriation therefor.

SUMMARY OF LEGISLATION: Establish KRS Chapter 239 and create new sections to define terms; 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; authorize the Governor to appoint an executive director; establish qualifications for an executive director of the commission; establish certification requirements for skill games; establish application requirements; authorize the commission to promulgate administrative regulations to establish criminal history checks for applicants; establish fees for initial and renewal license application fees; require decals to appear on every licensed skill game; allow the commission to grant, deny, suspend or revoke a license; allow a license to be transferable subject to the transferee's ability to satisfy all requirements; prohibit the distributor, operator, and establishment from holding multiple licenses; limit an establishment to two terminals per five hundred square feet of public floor common space; limit an establishment to five terminals overall; limit a truck stop to 10 terminals; require terminals to be placed in public floor space visible to patrons and employees; prohibit anyone under the age of 18 from playing a skill game; require an establishment to post problem gaming signage; require all gross profits from a skill game to be subject to a 6% tax; provide penalties for regulated; establish requirements for initial licensure of members on the commission; APPROPRIATION.

AMENDMENT: .

This bill amendment committee substitute is expected to:

Have the following Corrections impact Have no Corrections impact

- | | |
|--|--|
| <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 checked="" 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) . | |

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)

This would have no impact to the Department of Corrections at the state level.

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)

Establishing new misdemeanor offense could result in additional county prisoners being housed in county jails, but the impact is expected to be minimal. Misdemeanor offenders are subject to the jurisdiction and cost of the county.

There are zero (0) inmates currently in custody for gambling related offenses. There are 9 offenders currently on supervision for gambling related offenses.

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

3/2/2023

Date