## Local Government Mandate Statement Kentucky Legislative Research Commission 2024 Regular Session

## **Part I: Measure Information**

Bill Request #: 1104
Bill #: HB 284
<b>Document ID #:</b> <u>3217</u>
Bill Title:       AN ACT relating to wage theft.
Sponsor: Representative Adrielle Camuel
Unit of Government:XCityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment
Office(s) Impacted: Jails
Requirement: X Mandatory Optional
Effect on Powers & Duties: X Modifies Existing Adds New Eliminates Existing

## Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 284 defines "wage theft" as when an employer, with the intent to defraud, fails to pay an employee all wages to which they are entitled, causes any employee to give a receipt for wages for a greater amount than what they were actually paid, demands or receives from an employee a refund from the wages owed to the employee, or makes or attempts to make it appear that wages paid to an employee were greater than the amount that they were actually paid. Wages theft is classified as a Class A misdemeanor. However, if the value of the unpaid wages ranges between \$500 and \$10,000, it is considered a Class D felony, and if it exceeds \$10,000, it is categorized as a Class C felony.

The fiscal impact of HB 284 is indeterminable. As it creates a new crime, there is no past conviction data with which to estimate a likely impact to local jails. However, the average daily costs for the offense levels outlined in the bill are detailed below.

A person convicted of a Class A misdemeanor may be incarcerated for up to twelve months. Misdemeanants are housed in one of Kentucky's 74 full-service jails or three

life safety jails. While the expense of housing inmates varies by jail, this estimated impact will be based on an average cost to incarcerate of \$44.97 per day. While the majority of misdemeanor defendants are granted bail, those who do not will also cost local jails an average cost to incarcerate of \$44.97 per day.

When a court denies bail to a Class D felony defendant, the local government is responsible for incarcerating the defendant until disposition of the case in one of Kentucky's 74 full service jails or three life safety jails. While the expense of housing inmates varies by jail, each additional inmate increases facility costs by an average cost to incarcerate of \$44.97 per day, which includes the \$35.34 per diem and medical expenses that the Department of Corrections pays jails to house felony offenders. Upon sentencing, a Class D felon is housed in one of Kentucky's full service jails for the duration of his or her sentence. The Department of Corrections pays a jail \$35.34 per day to house a Class D felon. The per diem may be less than, equal to, or greater than the actual housing cost.

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 74 full service jails or three life safety jails. While the expense of housing inmates varies by jail, each additional inmate increases facility costs by an average cost to incarcerate of \$44.97 per day, which includes the \$35.34 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 \$35.34 per day to house these Class C felons. The per diem may be less than, equal to, or greater than the actual housing cost.

## Data Source(s): LRC Staff; Department of Corrections

Preparer: Ryan Brown (MS) Reviewer: KHC Date: 1/	1/25/24
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