

CORRECTIONS IMPACT STATEMENT

SESSION: 24RS BILL #: HB 88 GA BR #: 159

BILL SPONSOR(S): Rep. M. Meredith, M. Pollock, A. Bowling, M. Lockett, D. Meade AMENDMENT SPONSOR(S):

TITLE: AN ACT relating to unlawful trade practices and declaring an emergency.

SUMMARY OF LEGISLATION: Repeal, reenact, and amend KRS 286.2-685 as a new section of Subtitle 3 of KRS Chapter 286 to make technical amendments; remove prohibition against use of financial institution names in certain marketing and solicitations; establish a civil penalty for violation of section; establish a new section of KRS Chapter 367 to prohibit the use of financial institution names in the marketing and solicitations of persons who are not financial institutions in certain circumstances; make violation of section an unfair, false, misleading, or deceptive trade practice in violation of KRS 367.170; authorize enforcement by the Attorney General and any trade organization representing one or more financial institution industries; establish remedies for violation of section; establish a new section of KRS Chapter 367 to regulate certain real estate service agreements; make recording of certain real estate service agreements a crime and provide penalties for violation of recording prohibition; make violation of section an unfair, false, misleading, or deceptive trade practice in violation of KRS 367.170; authorize enforcement of section by Attorney General; authorize Attorney General to promulgate administrative regulations; amend KRS 324.160 to establish that violation of section regulating real estate service contracts by real estate licensees is improper conduct; provide that the provisions of the Act are severable; RETROACTIVE, in part; EMERGENCY.

AMENDMENT:

HCS 1: Retain original provisions, except amend the definition of "person"; provide attorney's fees and costs and a statutory penalty for a violation of Section 2 of this Act; direct that the Attorney General, any Commonwealth's attorney, or county attorney may enforce Class B misdemeanor penalty under Section 3 of this Act; make technical corrections.

GA: Amend the definition of "financial institution" in Section 2 of this Act; provide that a financial institution may provide consent to marketing material, solicitation, or advertising in written or electronic format; amend the definition of "service provider" in Section 3 of this Act.

This bill amendment committee substitute is expected to:

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| <input checked="" type="checkbox"/> Have the following Corrections impact | <input type="checkbox"/> 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 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 the 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 \$116.93. 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 jail is \$44.97 per day, which includes \$35.34 per diem, medical costs, and central office administrative costs (substance abuse treatment not included).*

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

This legislation has no impact on operational costs 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 the disposition of the case. The estimated impact will be based on the \$44.97 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 offenses 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.

A Class B misdemeanor is up to 90 days in jail. One (1) Class B misdemeanant costs up to \$4,047.30.

PROJECTED IMPACT FROM AMENDMENTS: NONE MINIMAL to MODERATE (< \$1 million) SIGNIFICANT (> \$1 million)

No additional impact from HCS 1.


No additional impact from GA version.

**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, lengthen the term of incarceration, or impose new obligations on state or local governments.

APPROVED BY:  2/15/2024
Chief of Staff, Kentucky Department of Corrections Date