

Service agreements that violate these restrictions, whether or not they are recorded, shall be void and unenforceable and apply retroactively and prospectively to any past or future service agreements. The section also prohibits service providers from recording a service agreement or a notice or memorandum of a service agreement, except as provided in KRS 376.075 and 426.720. Violation of this restriction is a Class B misdemeanor and the service provider can be sued for damages arising from the recording.

The fiscal impact of HB 88/HCS 1 is indeterminable. The bill establishes a new Class B misdemeanor, so any additional person incarcerated in local jails as a result of the bill will represent a new cost. However, it is not clear how many people would be incarcerated as a result of this new violation.

For people jailed as a result of this, the cost would be as follows. A person convicted of a Class B misdemeanor may be incarcerated for up to 90 days. 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.

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

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