

CORRECTIONS IMPACT STATEMENT

SESSION: 25RS BILL #: HB 33

Introduced

BR #: 67

BILL SPONSOR(S): Rep. T. Huff

AMENDMENT SPONSOR(S):

TITLE: AN ACT relating to gaming activities.

SUMMARY OF LEGISLATION: Amend KRS 230.210 to define terms; amend KRS 230.260 to allow the Kentucky Horse Racing and Gaming Corporation (corporation) to license and regulate casino gaming and fantasy contests; allow the corporation to inspect all premises where casino gaming is conducted and seize any equipment or records related to casino gaming for the purposes of examination and inspection; require the corporation to promulgate administrative regulations related to casino gaming; create new sections of KRS Chapter 230 to establish licensing requirements for full casino, limited casino, and riverboat casino gaming; establish local option election requirements for the purpose of approving casino gaming; permit the corporation to solicit bids for the purpose of licensing casino gaming in a county; allow a limited casino license for racing associations that meet certain requirements; prohibit the sale or lease of gaming unless a person possesses a manufacturer or supplier license; prohibit a person under 21 years of age from placing a wager at a casino or accessing areas of a casino in which games are operated; require a licensee to compile a list of persons who are to be excluded from any licensed casino if they pose a threat to the interests of this state or to licensed gaming; establish requirements for any person seeking to register as a fantasy contest operator; prohibit a fantasy contest operator from offering a fantasy contest without a valid registration issued by the corporation; require the corporation to promulgate administrative regulations for the operation of fantasy contests; create a new section of KRS Chapter 138 to define terms and impose an excise tax and an admissions tax on gaming operations at casinos; amend KRS 68.182, 91.202, 92.282, 230.215, 230.225, and 230.232 to conform; amend KRS 243.500, 525.090, 528.010, 528.020, 528.070, 528.080, and 528.100 to exempt casino gaming and fantasy contests; EFFECTIVE July 1, 2025.

AMENDMENT:

This bill amendment committee substitute is expected to:

Have the following Corrections impact

- Creates new crime(s)
- Increases penalty for existing crime(s)
- Increases incarceration
- Reduces inmate/offender services
- Increases staff time or positions
- Changes elements of the offense for existing crime(s)
- Otherwise impacts incarceration (Explain):

Have no Corrections impact.

- Repeals existing crime(s)
- Decreases penalty for existing crime(s)
- Decreases incarceration.
- Increases inmate/offender services.
- Reduces staff time or positions.

STATE IMPACT: Class A, B, & C felonies are based on an average daily prison rate of \$122.84. 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 \$47.43 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)

The legislation would likely have a very minimal increase on operational costs at the state level due to a new Class D felony.

Class D felons are housed in a county jail, and DOC pays counties a per diem for housing those inmates. A Class D Felony sentence is 1 to 5 years.

- One (1) Class D Felon costs KY \$17,313.27 to \$86,566.34.
- Ten (10) Class D Felons cost KY \$173,132.67 to \$865,663.37.
- One hundred (100) Class D Felons cost KY \$1,731,326.74 to \$8,656,633.71.

There are currently only 3 inmates in custody and 2 offenders on supervision for gambling-related offenses. The population statistics are being provided to offer a reference for the number of offenders who commit similar crimes.

Population counts and offender data are sourced from the Kentucky Offender Management System (KOMS). Cost to Incarcerate can be found on corrections.ky.gov/public-information.

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 \$47.43 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)

The legislation would likely result in a very minimal increase to operational costs at the local level due to a new Class D felony and Class A misdemeanor.

Class D felons are housed in a county jail, and DOC pays counties a per diem for housing those inmates. A Class D Felony sentence is 1 to 5 years.

- One (1) Class D Felon costs KY \$17,313.27 to \$86,566.34.
- Ten (10) Class D Felons cost KY \$173,132.67 to \$865,663.37.
- One hundred (100) Class D Felons cost KY \$1,731,326.74 to \$8,656,633.71.

A Class A misdemeanor is 90 days to 1 year in jail.

- One (1) Class A misdemeanor: \$4,269.02 to \$17,313.27
- Ten (10) Class A misdemeanants: \$42,690.25 to \$173,132.67
- One hundred (100) Class A misdemeanants: \$426,902.48 to \$1,731,326.74

There are currently only 3 inmates in custody and 2 offenders on supervision for gambling-related offenses. The population statistics are being provided to offer a reference for the number of offenders who commit similar crimes.

Population counts and offender data are sourced from the Kentucky Offender Management System (KOMS). Cost to Incarcerate can be found on corrections.ky.gov/public-information.

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

APPROVED BY: 
Commissioner, Kentucky Department of Corrections

2/5/2025
Date