

Department of Planning and Budget

2015 Fiscal Impact Statement

1. Bill Number: HB1807

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Herring

3. Committee: Courts of Justice

4. Title: Cigarettes; possession with intent to distribute contraband; fraudulent purchase; penalties.

5. Summary: Lowers the felony threshold for possession with intent to distribute tax-paid cigarettes from 500 cartons to 200 cartons and creates a criminal offense and civil penalties for purchasing cigarettes using a forged business license or a forged or invalid Virginia sales and use tax exemption certificate. The bill is a recommendation of the Virginia State Crime Commission.

6. Budget Amendment Necessary: Yes.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2015	\$0		
2016	\$50,000		General
2017	\$0		
2018	\$0		
2018	\$0		
2020	\$0		
2021	\$0		

8. Fiscal Implications: According to the Virginia Criminal Sentencing Commission the fiscal impact resulting from the proposal cannot be determined for state correctional facilities, local adult correctional facilities, adult community corrections programs, juvenile correctional centers or juvenile detention centers. However, by lowering the thresholds the proposal may increase future state-responsible bed space needs (e.g., increase the need for prison beds). As such, the Commission is required under §30-19.1:4 and Chapter 2 of the 2014 Acts of Assembly, Special Session I to identify a minimum fiscal impact of \$50,000.

Although insufficient data exists to determine the fiscal impact due to this proposal, the Commission also states that the proposed legislation could result in an increase in the jail population. Any increase in jail population will increase costs to the state. The Commonwealth presently pays the localities \$4.00 a day for each misdemeanor or otherwise

local responsible prisoner held in a jail and \$12.00 a day for each state responsible prisoner. It also funds a significant portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs on a per prisoner, per day basis varies from locality to locality. However, according to the Compensation Board's FY2013 Jail Cost Report (November 1, 2014), the estimated total state support for local and regional jails averaged \$30.54 per state inmate, per day in FY 2013.

9. Specific Agency or Political Subdivisions Affected: Compensation Board, Department of Corrections, local and regional jails.

10. Technical Amendment Necessary: No.

11. Other Comments: Identical to SB1231.

Date: January 19, 2015
DPB Analyst: jgc