

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB 990

House of Origin	<u>X</u>	Introduced	___	Substitute	___	Engrossed
Second House	___	In Committee	___	Substitute	___	Enrolled

2. Patron: Delegate Bell

3. Committee: Courts of Justice

4. Title: Defining pyramid promotional schemes

5. Summary: This bill clearly defines activities described as “pyramid promotional schemes” and punishes any person who establishes, promotes, operates, or participates in any pyramid promotional scheme with a Class 1 misdemeanor penalty. Currently, participation in such a scheme is not a crime.

6. Fiscal Impact Estimates: Indeterminate

7. Budget Amendment Necessary: N/A

8. Fiscal Implications: Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail. There is not enough information available to reliably estimate how many additional inmates in jail could result from this proposal. Any increase in jail population will increase costs to the state. The Commonwealth pays the localities \$8.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail. It also funds most of the jails’ operating costs, e.g. correctional officers. The Commonwealth’s share of these costs on a per prisoner, per day basis varies from locality to locality. However, according to the Compensation Board’s most recent Jail Cost Report (November 2007); the estimated total state support for local jails averaged \$28.42 per inmate, per day in FY 2006.

9. Specific Agency or Political Subdivisions Affected: N/A

10. Technical Amendment Necessary: N/A

11. Other Comments: None.

Date: 1/21/2008 sas

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