



Fiscal Impact Statement for Proposed Legislation

Virginia Criminal Sentencing Commission

House Bill No. 746 (Patron – Kory)

LD#: 14100293

Date: 12/23/2013

Topic: Gifts and disclosures

Fiscal Impact Summary:

- **State Adult Correctional Facilities:**
\$50,000 *
- **Local Adult Correctional Facilities:**
Cannot be determined, likely to be small
- **Adult Community Corrections Programs:**
Cannot be determined, likely to be small

- **Juvenile Correctional Centers:**
None (\$0)
- **Juvenile Detention Facilities:**
None (\$0)

* The estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 806 of the 2013 Acts of Assembly requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000.

Summary of Proposed Legislation:

The proposed legislation amends §§ 2.2-3117 and 30-111 of the *Code of Virginia* and adds § 30-110.1, relating to gifts and disclosures required by the State and Local Government Conflict of Interests Act and the General Assembly Conflict of Interests Act. Proposed changes would expand the requirements for items that must be reported on the Statement of Economic Interests, or disclosure form, that General Assembly members and certain state and local officials must file. Disclosure would be required for specified gifts given to the filer or an immediate family member and for certain financial and business liabilities associated with the official or his or her immediate family members. The proposal would also require legislators to disclose any gift with a value over \$1,000 from any single source other than a relative or personal friend that is accepted during a regular session of the General Assembly.

Currently, under § 2.2-3120, any person who knowingly violates any of the provisions of the State and Local Government Conflict of Interests Act (§§ 2.2-3102 through 2.2-3119) is guilty of a Class 1 misdemeanor or, for certain violations, a Class 3 misdemeanor. Per § 30-123, any legislator who knowingly violates a provision of the General Assembly Conflict of Interests Act (§§ 30-102 through 30-111) is guilty of a Class 1 misdemeanor. In addition, the disclosure form for General Assembly members contains an Affirmation that the information is full, true, and correct, which must be notarized. Any person willfully swearing to a false statement on a notarized document can be prosecuted for perjury, which is punishable as a Class 5 felony under § 18.2-434.

Analysis:

According to General District Court Case Management System (CMS)¹ data for fiscal year (FY) 2012 and FY2013, one offender was convicted of a Class 1 misdemeanor under § 2.2-3112 for failing to disqualify himself from participating in a government transaction in which he had a personal interest. This offender

¹ Formerly referred to as the Court Automated Information System (CAIS).

did not receive an active term of incarceration to serve after sentencing. During the same two-year period, no individuals were convicted of a Class 1 misdemeanor for violating the General Assembly Conflict of Interests Act.

Sentencing Guidelines data for FY2012 and FY2013 indicate that 50 offenders were convicted of a Class 6 felony for perjury under § 18.2-434 (in these cases, perjury was the primary, or most serious, offense at sentencing). More than half (54%) of these offenders did not receive an active term of incarceration to serve after sentencing. Approximately one-third (30%) of the offenders were given a local-responsible (jail) term, for which the median sentence was three months. The remaining 16% received a state-responsible (prison) term with a median sentence of 1.8 years. Data do not contain sufficient detail to identify the number of perjury cases involving notarized documents or a Statement of Economic Interest.

Impact of Proposed Legislation:

State adult correctional facilities. The proposed legislation would expand the requirements for items that must be reported on the Statement of Economic Interests, or disclosure form, that General Assembly members must file. By expanding reporting requirements on a form that contains an Affirmation and must be notarized, the proposal could potentially result in additional felony convictions for perjury under § 18.2-434. In this way, the proposed legislation may increase the future state-responsible (prison) bed space needs of the Commonwealth. However, the databases available to the Commission do not contain sufficient detail to estimate the number of instances that may be affected by the proposal. While the magnitude of the impact cannot be quantified, any impact is likely to be small.

Local adult correctional facilities. By expanding the applicability of existing felony and misdemeanor offenses, the proposal could also affect the local-responsible (jail) bed space needs of the Commonwealth. The magnitude of the impact cannot be determined, but any impact is likely to be small.

Adult community corrections programs. Because the proposal could result in additional convictions with supervision requirements for the offenders, the proposal may affect adult community corrections resources. While the potential impact on community corrections resources cannot be quantified, any impact is likely to be small.

Virginia's sentencing guidelines. The guidelines cover perjury convictions under § 18.2-434. No adjustment to the guidelines would be necessary under the proposal.

Juvenile correctional centers. According to the Department of Juvenile Justice (DJJ), the proposal will not increase juvenile correctional center (JCC) bed space needs.

Juvenile detention facilities. The Department of Juvenile Justice (DJJ) reports that the proposal will not increase the bed space needs of juvenile detention facilities.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 806 of the 2013 Acts of Assembly requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation is \$0 for periods of commitment to the custody of the Department of Juvenile Justice.

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