

## Department of Planning and Budget 2017 Fiscal Impact Statement

**1. Bill Number:** HB2335

**House of Origin**    ☐ Introduced    ☒ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Watts

**3. Committee:** Courts of Justice

**4. Title:** Board for Contractors; unlicensed activity; penalty.

**5. Summary:** Provides that, in addition to existing penalties for unlicensed activity, any third or subsequent violation in any 36 month period by any person who undertakes work without a valid Virginia contractor's license or certificate when a license or certificate is required shall constitute a Class 6 felony.

**6. Budget Amendment Necessary:** Yes, Item 394 (HB1500/SB900). See Item 8 below.

**7. Fiscal Impact Estimates:** Preliminary. See Item 8 below.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2017			
2018	\$50,000	0	GF
2019			
2020			
2021			
2022			
2023			

**8. Fiscal Implications:** Violation of the provisions of the proposed legislation would constitute a Class 6 felony. For someone convicted of a Class 6 felony, a judge has the option of sentencing him to up to one year in jail, or 1 to 5 years in prison. Therefore, this proposal could result in an increase in the number of persons sentenced to jail or prison.

There is not enough information available to reliably estimate how many additional inmates in jail could result from this proposal. Ultimately, the presiding judge will decide if there is to be any time served in jail; however, 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 inmate. It also funds a considerable 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 most recent Jail Cost Report

(November 2016), the estimated total state support for local jails averaged \$32.82 per inmate, per day in FY 2015.

Due to the lack of data, the Virginia Criminal Sentencing Commission has concluded, pursuant to §30-19.1:4 of the Code of Virginia, that the impact of the proposed legislation on state-responsible (prison) bed space cannot be determined. In such cases, Chapter 780 of the 2016 Acts of Assembly requires that a minimum impact of \$50,000 be assigned to the bill.

It is anticipated this bill will not result in a fiscal impact on the Department of Professional and Occupational Regulation.

**9. Specific Agency or Political Subdivisions Affected:** Department of Professional and Occupational Regulation; court system.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.