

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: SB487

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

2. Patron: Edwards

3. Committee: Courts of Justice

4. Title: Virginia Fraud Against Taxpayers Act; civil penalties; rate of inflation.

5. Summary: Raises the amounts for the civil penalties in the Virginia Fraud Against Taxpayers Act from not less than \$5,500 and not more than \$11,000 to not less than \$10,957 and not more than \$21,916. The bill also provides that these amounts shall automatically increase as prescribed by the Federal False Claims Act, in which the civil penalties are adjusted to the rate of inflation.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary - Indeterminate, see Item 8.

8. Fiscal Implications: This legislation would increase the civil penalties under the Virginia Fraud Against Taxpayers Act from not less than \$5,500 and not more than \$11,000 to not less than \$10,957 and not more than \$21,916, and then adjust them automatically to account for inflation. These penalties are paid into the general fund, however, the revenue impact to the general fund as a result of this bill is indeterminate. The Courts are conducting an analysis of how many of these cases have occurred recently but at the time of the posting of this fiscal impact statement, the analysis was not yet complete.

The Courts state that while these actions are brought in a court, the bill is not likely to increase the number of these actions and therefore there is no fiscal impact on the court system.

9. Specific Agency or Political Subdivisions Affected: Courts

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: January 30, 2018
File: SB487