

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB995

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

2. Patron: Lindsey

3. Committee: Courts of Justice

4. Title: Grand larceny; increases threshold amount.

5. Summary: This bill raises the larceny threshold from \$500 to \$1,000. The bill also increases the threshold from \$500 to \$1,000 for the classification of certain property crimes. The substitute bill incorporates HB263.

6. Budget Amendment Necessary: No

7. Fiscal Impact Statement: Preliminary. See Item 8 below.

8. Fiscal Implications: By reducing larceny offenses that are now felonies to misdemeanors, the proposed legislation would result in a reduction in costs for the state. However, the lack of data makes it difficult to estimate the fiscal impact of the proposed legislation. While there is data readily available on the number of persons convicted of felony larceny/fraud, the information regarding the value of the larceny/fraud is limited.

A state-responsible inmate is one who has been convicted of a felony and sentenced to a year or more in prison. Any offender convicted of a misdemeanor, or a felony with a sentence of 12 months or less in jail, is a local-responsible offender and will serve his or her entire sentence in a local or regional jail, rather than prison. The state reimburses local and regional jails \$12 per day for housing state-responsible offenders and \$4 per day for local-responsible offenders. Although state-responsible offenders housed in jails may be transferred to state facilities operated by the Department of Corrections (DOC), many of those with sentences between 12 months and 24 months serve their entire sentences in local and/or regional jails due to the lack of sufficient prison bed space. The jail receives a \$12 per diem payment from the state for each state-responsible inmate, regardless of how long he/she is housed in the jail.

There are approximately 3,126 state-responsible inmates being held in jails who are eligible to be transferred to DOC, for whom the state is reimbursing the jails \$12 per day. Under the provisions of the proposed legislation, some persons who previously would have been convicted of larceny and who would have been committed to DOC with a felony sentence, now would be misdemeanants and serve their sentences in jails. This could eventually free up beds in DOC correctional facilities and, consequently, DOC may be able to transfer more state-responsible offenders from jails. The actual fiscal impact of the proposed legislation would be realized in a reduction of per diem costs (from \$12 to \$4) that the state would pay

to local and regional jails for housing larceny/fraud offenders as local-responsible offenders instead of state-responsible offenders.

However, due to the lack of data regarding the value of the goods or services involved in these felony larceny/fraud cases, it is not feasible to project an estimate of the amount of savings in per diem costs that the Commonwealth would realize from the proposed legislation.

The legislation also could have an impact on local probation. Under current law, if a person is convicted of larceny of anything with a value of \$500 or more and the court suspends part or all of the sentence and places the offender on probation, it will be the state probation and parole district office operated by DOC that will have the responsibility of supervising him/her. Under the proposed legislation, those offenders convicted of larceny of anything with a value between \$500 and \$999 would be placed in local community probation programs instead of state programs.

Finally, the legislation would affect court dockets by shifting an undeterminable number of cases from circuit court dockets to general district court dockets.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Corrections, Compensation Board, local and regional jails, circuit and district courts, local community probation programs

10. Technical Amendment Necessary: None

11. Other Comments: None