



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 375** HLS 25RS 913
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 21, 2025 8:22 PM	Author: MCMAHEN
Dept./Agy.: Corrections and Sheriffs	
Subject: Fraudulent Banking Transactions	Analyst: Daniel Druilhet

CRIME RE SEE FISC NOTE GF EX Page 1 of 1
 Provides for fraudulent banking transactions

Current law provides for the crimes of illegal transmission of monetary funds, bank fraud, and evidentiary rules regarding character evidence (and exceptions); assesses a sentence of imprisonment for no more than 10 years, with or without hard labor, or a fine of no more than \$100,000, or both, for those convicted of illegal transmission of monetary funds or bank fraud. Proposed law assesses a sentence of imprisonment for not less than one nor more than 10 years, with or without hard labor, or a fine of no more than \$100,000, or both, and restitution to the victim, for those convicted of a second or subsequent conviction of illegal transmission of monetary funds or bank fraud; amends the definition of financial institution; provides that in a prosecution for bank fraud or monetary instrument abuse, the prosecution may enter certain evidence of a perpetrator's intent to defraud; provides definitions for radio signal and wire.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable increase in SGF expenditures in the Department of Public Safety & Corrections - Corrections Services (DPS&C), if a person is convicted of a second or subsequent offense of illegal transmission of monetary funds or bank fraud. Proposed law has the effect of imposing a mandatory sentence of no less than one year for second or subsequent convictions of current law. Proposed law is a relative felony, and any impact on either state or local expenditures is contingent on whether offenders sustain either a misdemeanor or felony-grade convictions for its violation.

To the extent that offenders sustain a felony-grade conviction for violation of the proposed law, DPS&C-CS will sustain an indeterminable increase in expenditures. For those convicted, sentenced, and then subsequently housed in a state facility, DPS&C-CS will sustain expenditures of \$107.60 per offender per day. For those housed in local facilities, DPS&C-CS will sustain expenditures of \$26.39 per offender per day. DPS&C-CS advises that impacts on offender populations are anticipated to impact the number of offenders held in local facilities, and that in managing its offender population, it seeks to fill all beds in state facilities first, then assigns overflow offenders to local facilities.

To the extent that offenders sustain a misdemeanor conviction for violation of the proposed law, local governing authorities will sustain Local Funds expenditures. The exact fiscal impact of the passage of this legislation to local governing authorities is indeterminable, since it is not known how many people will be convicted and incarcerated in local facilities, nor the length of the sentences assessed with those convictions as a result of its potential enactment. The maximum imprisonment term is no more than 10 years.

For informational purposes, DPS&C reports an average sentence length of 1.1 years for those convicted of illegal transmission of monetary funds and bank fraud.

REVENUE EXPLANATION

Proposed law may result in an indeterminable increase in local revenues as a result of second or subsequent convictions of illegal transmission of monetary funds or bank fraud. The exact fiscal impact of the passage of this legislation on local revenue is indeterminable, as the fines that would be imposed on those convicted are optional, and the amount of the fines, if imposed, may vary. The potential revenue will accrue to the local governing authority.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} | | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |


Patrice Thomas
 Deputy Fiscal Officer