



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 816** HLS 24RS 2024
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 30, 2024	2:10 PM	Author: CARTER, WILFORD
Dept./Agy.: Corrections		
Subject: Residential Contractor Fraud		Analyst: Daniel Druilhet

CRIME EN SEE FISC NOTE GF EX Page 1 of 1
 Provides relative to residential contractor fraud

Current law provides for the crime of residential contractor fraud and penalties for its violation. Proposed law retains current law and provides that if the victim of residential contractor fraud is 65 years of age or older, and the misappropriation or intentional taking that occurs as a result of residential contractor fraud amounts to a value of \$1,000 or more, the offender, in addition to any other penalties under current law, shall be imprisoned for no more than five years, with or without hard labor, to be served concurrently with the sentence imposed; provides that nothing in current law precludes a victim from pursuing civil remedies under current law or any other provision of law.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable increase in SGF expenditures in the Department of Public Safety and Corrections – Corrections Services (DPS&C – CS) if a person is convicted of residential contractor fraud to a victim 65 years of age or older, and the misappropriation or intentional taking that occurs as a result of residential contractor fraud amounts to a value of \$1,000 or more. Proposed law has the effect of adding a penalty of imprisonment for those convicted of residential contractor fraud under circumstances relating to the age of the victim, notwithstanding any existing penalties of imprisonment provided in current law. Proposed law is a relative felony, and any impact on either local or state expenditures is contingent on whether offenders sustain either misdemeanor or felony-grade convictions for its violation.

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, or \$26.39 per offender per day for those housed in local facilities. 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 misdemeanor convictions for residential contractor fraud when the victim is 65 years of age or older, local governing authorities may incur an increase in 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 5 years at the local level.

For informational purposes, DPS&C-CS reports an annual average of 20 admissions for those convicted of residential contractor fraud, with an average sentence imposed of 5.8 years.

REVENUE EXPLANATION

Proposed law may result in an indeterminable increase in local revenues as a result of convictions of residential contractor 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 fines, if imposed, may vary. The potential revenue will accrue to the local governing authority.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
 Deputy Fiscal Officer