

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 565 (Delegate Petzold, *et al.*)
Judiciary

Crimes - Fraud - Personal Identifying Information

This bill alters provisions pertaining to the crime of “*Fraud - Personal Identifying Information*” by: (1) expanding the definition of “personal identifying information” to include a “payment device number;” (2) including knowingly, willingly, and with fraudulent intent possessing (or aiding in possessing) personal identifying information as a crime under the prohibition against this type of fraud; and (3) making this type of fraud a felony, rather than a misdemeanor, and increasing the maximum incarceration penalty for the offense from one year to 15 years. The maximum monetary penalty for such offenses is not altered.

The bill eliminates the felony offense of unlawful possession, with unlawful or fraudulent intent, of a credit card or other payment device number belonging to another person or any holder’s signature.

In addition, the bill grants the District Court exclusive original jurisdiction for the crime of fraud involving personal identifying information.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues and expenditures due to the bill’s increased penalty provisions.

Local Effect: Potential minimal increase and decreases in expenditures due to the bill’s increased incarceration penalty provision.

Small Business Effect: Minimal.

Analysis

Current Law: The crime of fraud involving personal identifying information is a misdemeanor and subjects violators to maximum penalties of a fine of \$5,000 and/or imprisonment for one year. It does not include the possession of such numbers or aiding another person in such an unlawful possession.

The felony of unlawful possession of a credit card or other payment device number subjects violators to maximum penalties of a fine of \$1,000 and/or imprisonment for 15 years.

State Revenues: The District Court already has exclusive original jurisdiction for all such offenses. However, general fund revenues would increase minimally since the crime of unlawful possession of a credit would now be prosecuted under the prohibition against fraud involving personal identifying information, and would be subject to a maximum monetary penalty of \$5,000 rather than \$1,000.

State Expenditures: General fund expenditures could increase minimally as a result of the bill's incarceration penalty due to more people being committed to Division of Correction (DOC) facilities and increased payments to counties for reimbursement of inmate costs. The number of people convicted of this proposed crime is expected to be minimal.

Persons serving a sentence longer than one year are incarcerated in DOC facilities. Currently, the average total cost per inmate, including overhead, is estimated at \$1,700 per month. This bill alone, however, should not create the need for additional beds, personnel, or facilities. Excluding overhead, the average cost of housing a new DOC inmate (including medical care and variable costs) is \$288 per month.

Persons serving a sentence of one year or less in a jurisdiction other than Baltimore City are sentenced to local detention facilities. The State reimburses counties for part of their incarceration costs, on a per diem basis, after a person has served 90 days. State per diem reimbursements for fiscal 2002 are estimated to range from \$9 to \$52 per inmate depending upon the jurisdiction. Persons sentenced to such a term in Baltimore City are generally incarcerated in DOC facilities. The Baltimore City Detention Center, a State-operated facility, is used primarily for pretrial detentions.

Local Expenditures: Expenditures could increase minimally as a result of the bill's increased incarceration penalty since there is the likelihood that any such imprisonment term served locally would tend to increase toward the one-year maximum period for local imprisonment. However, since some persons would receive a sentence that would

remand them to the custody of the DOC rather than a local facility, expenditures could also decrease. In any case, counties pay the full cost of incarceration for people in their facilities for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs of local detention facilities are expected to range from \$17 to \$77 per inmate in fiscal 2002.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (District Court), Office of the State's Attorneys' Coordinator, Department of Legislative Services

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