

## Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. **Bill Number:** HB110ER

**House of Origin**     Introduced     Substitute     Engrossed  
**Second House**     In Committee     Substitute     Enrolled

2. **Patron:** Sullivan

3. **Committee:** Passed both houses

4. **Title:** Surrogacy brokers; repeals statute of prohibition.

5. **Summary:** Repeals the statute prohibiting any person, firm, corporation, partnership, or other entity from accepting compensation for recruiting or procuring surrogates or accepting compensation for otherwise arranging or inducing an intended parent and surrogate to enter into surrogacy contracts. Under current law, any violation of such prohibition is a Class 1 misdemeanor.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Final, see Item 8 below.

8. **Fiscal Implications:** The proposal repeals a statute that makes it a Class 1 misdemeanor for any person, firm, corporation, partnership or other entity to accept compensation for recruiting surrogates or arranging surrogacy contracts. Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail and a fine of not more than \$2,500, either or both. According to the Virginia Sentencing commission, there were no convictions for the Class 1 misdemeanor defined in § 20-165 for the period of FY 2018-FY 2023.

Accordingly, there is not enough information available to reliably estimate the decrease in jail population as a result of this proposal. However, any decrease in jail population will decrease costs to the state. The Commonwealth currently pays localities \$5.00 a day for each misdemeanant or otherwise local-responsible prisoner held in a jail. It also funds a large portion of the jails' operating costs, e.g., correctional officers. The state's share of these costs on a per prisoner, per day basis varies from locality to locality. However, according to the Compensation Board's most recent Jail Cost Report (November 2023), the estimated total state support for local jails averaged \$45.76 per inmate, per day in FY 2022.

9. **Specific Agency or Political Subdivisions Affected:** Department of Corrections, local and regional jails, state and local law enforcement, Courts, Commonwealth's Attorneys' Office, Public Defender's Office.

10. **Technical Amendment Necessary:** No.

**11. Other Comments:** None.