



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 969

PRINTERS NO. 1211

PRIME SPONSOR: Neuman

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
General Fund	See Fiscal Impact below.	

SUMMARY: House Bill 969 amends Title 18 (Crimes and Offenses) of the Pennsylvania Consolidated Statutes to further provide for the offense of phishing and for penalties. It would take effect in 60 days.

ANALYSIS: This bill adds Subchapter F on phishing to Chapter 76 of the Crimes Code, which concerns computer offenses. The offense of phishing is defined as making a communication under false pretenses by or on behalf of a business, without the authority or approval of the business, to induce, request or solicit a person to provide identifying information, with the intent to defraud or injure, or with the knowledge that a fraud is being facilitated or an injury is being perpetrated. The offense also includes selling or distributing information obtained through phishing with the intent to defraud or injure anyone.

Obtaining personal information through phishing is considered a third degree felony. Selling or distributing information obtained through phishing is a second degree felony.

The bill also provides for definitions, civil relief, and protection from liability for interactive computer service providers that deny access to online content if the service provider believes, in good faith, that the content is being used for phishing.

FISCAL IMPACT: It is expected the fiscal impact of this legislation will be minimal. While it is not possible to determine the bill's exact fiscal impact, the creation of a new felony offense could result in individuals being sentenced for violations. Reliable data do not exist to determine how many people may be arrested, convicted, and sentenced for phishing, however, an analysis of convictions for current computer offenses provides a comparison.

According to data provided by the Pennsylvania Commission on Sentencing, approximately 30 individuals per year are convicted of computer hacking and similar crimes. If the offense of phishing produces convictions at a comparable level, it will not significantly increase the number of individuals incarcerated or on parole in the Commonwealth.

The current average cost of incarcerating an offender in state prison is \$45,000 per year and the average cost for state parole supervision is \$3,500 per year. The average cost for incarceration in a county jail is approximately \$67 per day or \$24,455 per year. The average cost for supervising a county adult offender is \$860 per year.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: October 6, 2015

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.