



Fiscal Impact Statement for Proposed Legislation

Virginia Criminal Sentencing Commission

Senate Bill 444 (Patron— Bagby)

LD#: 26103315

Date: 12/16/2025

Topic: Gift card fraud

Fiscal Impact Summary:

- **State Adult Correctional Facilities:**
\$50,000 *
- **Local Adult Correctional Facilities:**
Cannot be determined
- **Adult Community Corrections Programs:**
Cannot be determined

- **Juvenile Direct Care:**
Cannot be determined, likely negligible**
- **Juvenile Detention Facilities:**
Cannot be determined, likely negligible**

**Provided by the Department of Juvenile Justice

* The estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 725 of the Acts of Assembly of 2025 requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000.

Pursuant to § 30-19.1:4, fiscal impact statements prepared by the Virginia Criminal Sentencing Commission only include the estimated increase in operating costs associated with additional state-responsible prison beds and do not reflect any other costs or savings that may be associated with the proposed legislation.

Summary of Proposed Legislation:

The proposal creates §§ 18.2-199.1 through 18.2-199.7 to create several new offenses relating to gift card fraud. The altering or tampering of a gift card or of its packaging with intent to defraud, or gift card forgery, is made a Class 5 felony. The acquiring or possessing of a gift card with intent to defraud, or gift card theft, is defined as grand larceny and made punishable as stipulated in § 18.2-95.

The use of false pretenses to obtain a gift card with intent to defraud, or gift card fraud, is also made illegal. When the monetary value of this fraud is less than \$1,000 within any six-month period, the offense is a Class 1 misdemeanor, but it is a Class 6 felony if such value is greater than \$1,000 within any six-month period. Conspiring to commit gift card fraud is made a Class 6 felony.

The proposal also criminalizes the receipt of any goods and services fraudulently obtained. The receipt of fraudulent goods valued at less than \$1,000 within any six-month period is a Class 1 misdemeanor, but it is a Class 6 felony if such value is \$1,000 or more within any six-month period.

The proposal clarifies that any violator of the proposed offenses may be prosecuted in any county or city where a victim sustained a financial loss, where any act in furtherance of the crime was committed, or where the cardholder resides. More specifically, gift card theft – under § 18.2-199.2 of the proposal – may

be prosecuted wherever the gift card is used or wherever it is possessed with the intent to violate the other provisions of the proposal.¹

¹ The proposed felony would be eligible for the enhanced sentence credits specified in § 53.1-202.3, whereby offenders serve a minimum of 67% of the sentence ordered by the court.

Analysis:

Offenders convicted of proposed offenses would likely be sentenced similarly to comparable offenses. The table below analyzes these comparisons. All information is drawn from Fiscal Year (FY) 2024 and FY2025 Sentencing Guidelines (SG) data. The analysis only examined cases where the comparable offense was the primary, or most serious, offense.

Proposed Offense (Statute)	Comparable Offense (Statute)	Number of Cases	% No Incarceration	% Jail (Median Sentence Length)	% Prison (Median Sentence Length)
Gift card theft, ≥\$1000 (§18.2-199.2)	Grand larceny (§18.2-95(ii))	1,216	38.9%	37.0% (4 months)	24.1% (18 months)
Gift card forgery (§18.2-199.3)	Credit card forgery (§18.2-193)	19	68.4%	15.8% (11 months)	15.8% (18 months)
Gift card fraud, ≥\$1000 (§18.2-199.4)	Credit card fraud, ≥\$1000 (§18.2-195(1))	34	44.1%	35.3% (3 months)	20.6% (18 months)
Receipt of fraudulent goods/services, ≥\$1000 (§18.2-199.5)	Receipt of stolen goods/services, ≥\$1000 (§18.2-108(A))	204	37.3%	31.9% (4 months)	30.9% (20 months)

Impact of Proposed Legislation:

State adult correctional facilities. By creating several new felonies, the proposed legislation may increase the future state-responsible (prison) bed space needs of the Commonwealth. Existing databases do not provide sufficient detail to estimate the number of defendants who would be affected by the proposal. Therefore, the magnitude of the impact on prison bed space needs cannot be quantified.

Local adult correctional facilities. Similarly, the impact of the proposal on local-responsible (jail) bed space needs cannot be estimated.

Adult community corrections resources. Because the proposal could result in additional felony convictions with supervision requirements for the offenders, the proposal may affect adult community corrections programs. Since the number of cases that may be affected by the proposal cannot be determined, the potential impact on community corrections resources cannot be quantified.

Virginia’s Sentencing Guidelines. The new felonies would not be covered by the Sentencing Guidelines as the primary, or most serious, offense. Such a conviction, however, could augment the Guidelines recommendation (as an additional offense) if the most serious offense at sentencing is covered by the Guidelines. For Guidelines purposes, the new Class 6 felony would not be defined as violent (§ 17.1-805(C)). No adjustment to the Guidelines is necessary under the proposal.

Juvenile correctional centers. According to the Department of Juvenile Justice (DJJ), the proposal is not expected to increase direct care (juvenile correctional center or alternative commitment placement) bed space needs.

Juvenile detention facilities. The Department of Juvenile Justice (DJJ) reports that the proposal will not increase the bed space needs of juvenile detention facilities.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation cannot be determined for periods of imprisonment in state adult correctional facilities; therefore, Chapter 725 of the Acts of Assembly of 2025 requires the Virginia Criminal Sentencing Commission to assign a minimum fiscal impact of \$50,000.

Pursuant to § 30-19.1:4, the estimated amount of the necessary appropriation cannot be determined for periods of commitment to the custody of the Department of Juvenile Justice.

giftcard02_3315