



Fiscal Note

Fiscal Services Division



[HF 2611](#) – Providing False Social Security Number to Employers, Criminal Offense (LSB5455HV)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2611](#) relates to unlawful practices involving providing a false social security number to an employer or prospective employer, or to a potential employee.

The Bill prohibits an employer from hiring or continuing to employ an employee whom the employer knows has provided the employer with a false social security number on any documentation for employment.

An employer violating the Bill is subject to a \$10,000 civil penalty to be collected by Iowa Workforce Development (IWD). For a fourth or subsequent violation, in addition to the civil penalty, an employer must cease operations at the location where the violation occurred until any individual who holds a majority ownership interest in the employer, and all managerial staff at the location, participate in training developed by the Department regarding compliance with the Bill.

Under the Bill, it is a fraudulent practice for a person, for the purpose of retaining or obtaining employment, or any other thing of value, to falsely provide an employer or prospective employer with a social security number that does not belong to the person. It is a fraudulent practice for an employer to knowingly provide a potential employee with a fraudulent social security number for the purpose of hiring the potential employee.

Penalties for fraudulent practices range from a simple misdemeanor to a Class C felony depending upon the amount of money or value of property or services involved.

Background

A simple misdemeanor is punishable by confinement for up to 30 days or a fine of at least \$105 but not more than \$855. A serious misdemeanor is punishable by confinement for up to one year and a fine of at least \$430 but not more than \$2,560. An aggravated misdemeanor is punishable by confinement for up to two years and a fine of at least \$855 but not more than \$8,540. A Class D felony is punishable by confinement for up to five years and a fine of at least \$1,025 but not more than \$10,245. A Class C felony is punishable by confinement for up to 10 years and a fine of at least \$1,370 but not more than \$13,660.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- County jail data is unavailable. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Conviction data reflects the total number of convictions in adult court, which may include multiple convictions per individual. Not all convictions lead to incarceration, and there may

be a delay between conviction and prison admission, which can contribute to differences in totals.

- A six-month delay is assumed from the effective date of the Bill to the date the first offender will enter the correctional system.
- Offender-based convictions are a count of individuals convicted of the same offense. Each offender is counted only once per Iowa Code section, regardless of the number of individual convictions.
- Admissions are a count of individuals newly admitted to the Department of Corrections (DOC) for supervision during a selected time period, based on the most serious offense committed.
- Implementation and workload will require three additional full-time equivalent (FTE) positions. According to the IWD, the required job classes and costs of these positions will be as follows:
 - 1.0 Attorney position with estimated base salary and benefits ranging from \$107,000 to \$124,000.
 - 2.0 Investigator 2 positions with estimated total base salary and benefits for both positions ranging from \$163,000 to \$197,000.
- IWD would incur ongoing indirect costs between \$41,000 and \$48,000.

Correctional Impact

House File 2611 creates a new criminal offense, and the correctional impact cannot be estimated due to a lack of existing conviction data. **Figure 1** shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a serious misdemeanor, aggravated misdemeanor, Class D felony, and Class C felony.

Figure 1 — Sentencing Estimates and Length of Stay (LOS) in Months

Conviction Offense Class	Percent Ordered to State Prison	FY 2025 Avg LOS in Prison (All Releases)	Marginal Cost Per Day Prison	Percent Ordered to Probation	FY 2025 Field Avg LOS on Probation	Avg Cost Per Day Probation	Marginal Cost Per Day CBC	Marginal Cost Per Day Jail	FY 2025 Field Avg LOS on Parole	Marginal Cost Per Day Parole
Serious Misdemeanor	2.3%	7.3	\$23.07	44.8%	21.0	\$8.00	\$16.35	\$50.00	N/A	\$8.00
Aggravated Misdemeanor Non-Persons	31.1%	9.3	\$23.07	37.1%	28.4	\$8.00	\$16.35	\$50.00	11.2	\$8.00
D Felony Non-Persons	84.2%	12.5	\$23.07	69.4%	41.4	\$8.00	\$16.35	\$50.00	15.5	\$8.00
C Felony Non-Persons	84.0%	16.8	\$23.07	66.4%	51.4	\$8.00	\$16.35	\$50.00	24.3	\$8.00

Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 12, 2026, for information related to the correctional system.

Minority Impact

House File 2611 creates a new criminal offense. As a result, the Department of Management (DOM) Division of Data, Planning, and Improvement (DPI) cannot use existing data and cannot be used to estimate the minority impact of the Bill. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statements](#), dated January 12, 2026, for information related to minorities in the criminal justice system.

Fiscal Impact

The cost to IWD to add 3.0 FTE positions is approximately \$311,000 to \$369,000 annually.

The fiscal impact on the justice system cannot be determined because the number of convictions cannot be estimated. **Figure 2** shows the average State cost per relevant offense. The estimated impact to the General Fund includes operating costs incurred by the Judicial

