

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1514-01  
Bill No.: HB 657  
Subject: Department of Corrections; Crimes and Punishment  
Type: Original  
Date: March 27, 2015

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Bill Summary: This proposal requires first-time offenders of certain dangerous felonies to serve a minimum of 50% of their sentence.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	\$870,393	\$1,013,211	\$995,480
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$870,393</b>	<b>\$1,013,211</b>	<b>\$995,480</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Corrections (DOC)** state the proposed bill would reduce the mandatory time served for the dangerous felonies of arson in the first degree, assault in the first degree and robbery in the first degree from eighty five percent of the sentence to fifty percent of the sentence. This would only apply to offenders with no previous commitments to DOC. At present, the required percentage served drops to forty percent of sentence upon an offender reaching seventy years of age; this provision is unchanged by the current bill.

At present, there are a total of 1,852 offenders incarcerated with DOC who have been convicted of one of the above offenses as their most serious sentence. These offenders have no prior prison commitments, are subject to the current eighty five percent time served policy, are not currently over the age of seventy, and will not attain seventy years of age before fifty percent of their sentences have been served. Of these offenders, 1,118 would become eligible for parole before the end of FY 2016 with the passage of this bill, while only 211 would be eligible under current laws.

During fiscal year 2014, there were a total of 166 offenders without a prior DOC commitment sentenced to prison terms for committing (attempts, conspiracy omitted) the three offenses covered by this bill. These offenders received an average sentence of 147.3 months. At present, these offenders would serve an average of 125.0 months in prison. Under this bill, the parole board could release an offender after 50% of the sentence is served, or an average of 74.5 months. If, instead, the parole board left offenders in prison until the conditional release date for which they would be eligible, these offenders would serve an average of 109.2 months, a reduction of 15.8 months. It is difficult to accurately predict what actions the Parole Board will take when setting the release date of offenders who have committed serious violent offenses. For offenders serving time for serious violent offenses that are not statutorily defined dangerous felons the parole board often sets the release date above the guideline date. Thus, it would be unrealistic to predict that the parole board will always set the release date at the highest of the 50% minimum prison term or the guideline date. The impact statement is, therefore, using the conditional release date as a conservative estimate for the reduction in time served with implementation of this bill.

A reduction of 15.8 months for each of 166 offenders gives an average annual reduction of 219 offenders ( $166 * 15.8 / 12$ ). This is expected to be the long term impact of passage of this legislation and includes the earlier release of offenders already incarcerated for these offenses. However, in the short term, the effect can be estimated as shown in the following table. The average yearly effect over the next ten fiscal years is nearly the same at the expected long term

ASSUMPTION (continued)

average, with a reduction of 207 offenders per year. That represents a total reduction of 2,066 offender bed years during the period in question. Exact estimates for the change in Division of Adult Institutions (DAI) and Division of Probation and Parole (P&P) populations may be found in bold at the bottom of the table.

The impact on the field population is expected to be the opposite of the reduction in the prison population. The offenders will continue to serve the full amount of the sentence but more of it will be on parole.

FY16 FY17 FY18 FY19 FY20 FY21 FY22 FY23 FY24

Prison Population - Current Laws

Start of Year	1852	1807	1759	1714	1678	1665	1639	1635	1692
New Admissions	166	166	166	166	166	166	166	166	166
Releases - Current Inmates	211	214	211	202	179	192	170	109	90
Releases - New Admits	0	0	0	0	0	0	0	0	0
End of Year	1807	1759	1714	1678	1665	1639	1635	1692	1768

Prison Population - Proposed Changes

Start of Year	1852	1521	1487	1452	1436	1413	1434	1500	1584
New Admissions	166	166	166	166	166	166	166	166	166
Releases - Current Inmates	497	200	201	182	189	145	100	82	61
Releases - New Admits		0	0	0	0	0	0	0	0
End of Year	1521	1487	1452	1436	1413	1434	1500	1584	1689
<b>Difference - DAI</b>	<b>-286</b>	<b>-272</b>	<b>-262</b>	<b>-242</b>	<b>-252</b>	<b>-205</b>	<b>-135</b>	<b>-108</b>	<b>-79</b>
<b>Difference - P&amp;P</b>	<b>+286</b>	<b>+272</b>	<b>+262</b>	<b>+242</b>	<b>+252</b>	<b>+205</b>	<b>+135</b>	<b>+108</b>	<b>+79</b>

ASSUMPTION (continued)

The DOC would assume this legislation will result in long term cost avoidance as indicated below

	# to prison	Cost per year	Total Cost Prison - Savings	# to Probation & Parole	Cost per year	Total Cost Probation & Parole	Grand Total Prison and P&P - Savings
Year 1	286	\$6,105	\$1,746,030	(286)	\$2,453	(\$701,558)	\$870,393
Year 2	272	\$6,105	\$1,660,560	(272)	\$2,453	(\$667,216)	\$1,013,211
Year 3	262	\$6,105	\$1,599,510	(262)	\$2,453	(\$642,686)	\$995,480
Year 4	242	\$6,105	\$1,477,410	(242)	\$2,453	(\$593,626)	\$937,879
Year 5	252	\$6,105	\$1,538,460	(252)	\$2,453	(\$618,156)	\$996,167
Year 6	205	\$6,105	\$1,251,525	(205)	\$2,453	(\$502,865)	\$826,581
Year 7	135	\$6,105	\$824,175	(135)	\$2,453	(\$331,155)	\$555,221
Year 8	180	\$6,105	\$659,340	(108)	\$2,453	(\$264,924)	\$453,060
Year 9	79	\$6,105	\$482,295	(79)	\$2,453	(\$193,787)	\$338,033

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal could be absorbed with existing resources.

Officials from the **Office of Prosecution Services** and the **Office of the State Public Defender** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
<b>GENERAL REVENUE FUND</b>			
<u>Savings</u> - DOC - changes regarding the minimum sentencing requirements for certain felons	<u>\$870,393</u>	<u>\$1,013,211</u>	<u>\$995,480</u>
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>\$870,393</u></b>	<b><u>\$1,013,211</u></b>	<b><u>\$995,480</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

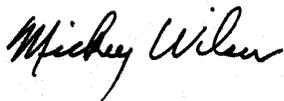
FISCAL DESCRIPTION

This bill specifies that any offender serving a sentence imposed on or after August 28, 1994, who has been convicted of the dangerous felonies of arson in the first degree, assault in the first degree, and robbery in the first degree and who is under the age of 70 and has no previous prison commitments with the Department of Corrections for any felony offense must serve at least 50% of the sentence imposed by the court.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Corrections  
Attorney General's Office  
Office of the State Public Defender  
Office of Prosecution Services



Mickey Wilson, CPA  
Director  
March 27, 2015

Ross Strope  
Assistant Director  
March 27, 2015