

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1833-02
Bill No.: HB 756
Subject: Corrections Department; St. Louis; Prisons and Jails
Type: Original
Date: March 11, 2013

Bill Summary: This proposal establishes a prisoner re-entry program, within the Department of Corrections, for prisoners who have served their full sentences and locate to St. Louis upon release.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	(Over \$100,000)	(Over \$100,000)	(Over \$100,000)
Total Estimated Net Effect on General Revenue Fund*	(Over \$100,000)	(Over \$100,000)	(Over \$100,000)

* Costs to the Department of Corrections could exceed \$1,000,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government*	\$0	\$0	\$0

*Fiscal impact to the City of St. Louis nets to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Corrections (DOC)** state they would be required to provide oversight and monitor the effectiveness of the new reentry program outlined in this bill if it passed into law. It is unknown the exact number of staff or program enhancements that would be required and what the resulting fiscal impact for each year would be. There might also be some cost avoidance if this program results in reduced recidivism to these former offenders, but it is not possible to assess the impact until we know more specific details concerning the operation of the program.

Reentry services are currently provided for offenders under supervision by the DOC and there is no discrimination as to where those offenders locate upon release to the community. Creation of a reentry program specific to offenders released to St. Louis City could financially impact reentry services to all offenders.

This program is designed to provide services to those who have served their full sentence. The DOC does not currently provide services to those offenders as they are no longer under the supervision of the Department and they would ordinarily be eligible for community- based services provided to all citizens of the State.

The cost of the program to the DOC is unknown at this time and would be subject to appropriation. However, there are currently proposals to fund this program at a cost of approximately \$1,000,000 General Revenue. If the funding is appropriated and passed through the DOC budget to the City of St. Louis, this would be a significant cost to the State.

According to officials from the **Office of the Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

ASSUMPTION (continued)

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Department of Health and Senior Services** and the **Department of Social Services** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Joint Committee on Administrative Rules** state the legislation is not anticipated to cause a fiscal impact beyond their current appropriation.

Officials from the City of St. Louis did not respond to our request for fiscal impact.

Based upon the Department of Corrections' response, **Oversight** will assume an annual cost of over \$100,000 (with a footnote of "could exceed \$1,000,000") to the Department of Corrections to fund this program. Oversight considers the reduced recidivism that may result because of this proposal would be an indirect impact of the program, and has not reflected it in this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2014	FY 2015	FY 2016
	(10 Mo.)		
GENERAL REVENUE			
<u>Costs - Department of Corrections *</u>			
Establishes a prisoner re-entry program for prisoners who have served their full sentences and locate to St. Louis upon release	<u>(Over \$100,000)</u>	<u>(Over \$100,000)</u>	<u>(Over \$100,000)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>(Over \$100,000)</u>	<u>(Over \$100,000)</u>	<u>(Over \$100,000)</u>

* Could exceed \$1,000,000

FISCAL IMPACT - Local Government

FY 2014
(10 Mo.)

FY 2015

FY 2016

CITY OF ST. LOUIS

Income - state appropriation from the Department of Corrections to fund the program*

Over \$100,000

Over \$100,000

Over \$100,000

Costs - contract expense for re-entry services for*

(Over \$100,000)

(Over \$100,000)

(Over \$100,000)

ESTIMATED NET EFFECT TO THE CITY OF ST. LOUIS

\$0

\$0

\$0

* Could exceed \$1,000,000

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal establishes a prisoner re-entry program, within the Department of Corrections, for prisoners who have served their full sentence and locate to St. Louis upon release.

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

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SOURCES OF INFORMATION

Department of Corrections
Department of Health and Senior Services
Department of Social Services
Office of the Secretary of State
Joint Committee on Administrative Rules

Not Responding:

City of St. Louis



Ross Strope
Acting Director
March 11, 2013

RS:LR:OD