

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | |
|---|---------------------|----------------|---------------------|----------------|
| | FY 2018-19 | | FY 2019-20 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | See Below | | | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | | | | |

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill would change the minimum term for any person convicted of a Class IC or Class ID felony for an offense committed when such person was under nineteen years of age. Such term shall not be a mandatory minimum but a minimum term only.

Such penalties are as follows:

- Class IC felony: Maximum—fifty years imprisonment; Mandatory minimum—five years imprisonment
- Class ID felony: Maximum—fifty years imprisonment; Mandatory minimum—three years imprisonment

The Board of Parole estimates the bill will have the following impact:

| ITEMS | FY2018-19 | FY2019-20 | FY2018-19 | FY2019-20 |
|---|---------------------|--------------|------------------|------------------|
| | Number of Positions | | Expenditures | |
| Specialized Officer - Salary & Benefits | 6.00 | 6.00 | 264,960 | 264,960 |
| Senior Parole Officer - Salary & Benefits | 9.00 | 9.00 | 345,600 | 345,600 |
| Supervisor - Salary & Benefits | 2.00 | 2.00 | 123,474 | 123,474 |
| Clerical Staff - Salary & Benefits | 5.00 | 5.00 | 188,685 | 188,685 |
| Operating | | | 1,286,571 | 1,286,571 |
| TOTAL | 22.00 | 22.00 | 2,209,290 | 2,209,290 |

The Board of Parole estimates 660 inmates being released and place on parole per year. The cost per parolee per year is about \$3,347 (rounded). This amount includes staffing and parolee services.

The Department of Correctional Services (NDCS) estimates that this bill could reduce the parole eligibility date and the discharge date for future admissions of persons under 19 years of age by 1.5 years for a Class ID felony or 2.5 years for a Class IC felony, assuming courts do not adjust sentencing practices in response to this bill.

NDCS estimates no fiscal impact over the next biennium due to the low number of admissions, the high average minimum sentences, and because the bill applies to future crimes. NDCS also states that it is unknown at this time if courts will adjust sentencing practices in response to this bill. NDCS states that in the future they could see potential per diem savings from individuals released earlier on parole or discharged earlier from prison.

See the Board of Parole's and NDCS's response attached for additional details not included in this fiscal note.

Although NDCS estimated no fiscal impact from this bill over the next biennium, the Board of Parole estimated an additional 660 inmates being released from prison and placed on parole in FY19 and FY20. Based on the Board of Parole's estimate, this could result in per diem savings to NDCS because there would be fewer inmates than under current law. For every inmate, NDCS incurs per diem costs. This is the cost for food, medical care, inmate wages, clothing, cleaning supplies, food service supplies, cell and dorm supplies, other inmate related supplies, laundry, inmate property, miscellaneous contractual services, and inmate transportation. The FY17 per diem cost for an individual inmate was \$8,649 per year, which includes NDCS inmates in county jails.

Using the Board of Parole's estimate of 660 additional inmates being released from prison and placed on parole, this could result in per diem savings to NDCS of approximately \$5.7 million.

Fewer people in prison could reduce the prison population. As of October-December 2017, the prison population was 156.74% of design capacity. Additionally, NDCS contracts with some counties to temporarily house prison inmates. If those inmates are included in the prison population numbers, then the prison population would be 159% of design capacity.

The October-December 2017, NDCS inmate population was 5,290, and NDCS had 82 inmates housed in county jails. This is a total inmate population of 5,372. Subtracting the Board of Parole's estimate of 660 less inmates in prison leaves a total of 4,712 inmates. Design capacity for the NDCS facilities is 3,375, meaning that this bill could potentially reduce the state inmate prison population to 139.6% of design capacity.

For informational purposes, NDCS estimates the cost per offender (All facilities including Parole) at \$31,271 for FY16. This cost represents an average cost of all General, Cash, and Federal expenditures excluding aid, depreciation, and Capital Construction expenditures.

The Supreme Court estimates no fiscal impact from this bill.

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE | | |
|---|------------------|---|
| LB: 781 | AM: | AGENCY/POLT. SUB: Nebraska Board of Parole (015) |
| REVIEWED BY: Joe Wilcox | DATE: 01/16/2018 | PHONE: (402) 471-4178 |
| COMMENTS: The original Board of Parole fiscal note submitted on LB 781 appears to be erroneously the fiscal note for LB675. | | |

| ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE | | |
|--|------------------|---|
| LB: 781 | AM: | AGENCY/POLT. SUB: Nebraska Department of Correctional Services (046) |
| REVIEWED BY: Joe Wilcox | DATE: 02/06/2018 | PHONE: (402) 471-4178 |
| COMMENTS: No basis to dispute the Nebraska Department of Correctional Services estimate of No Fiscal Impact to the Agency from LB 781 in the current or next biennium, with potential cost savings to the Agency in future periods, based on the projected timing of the impact of the provisions of the bill. | | |

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 781

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Board of Parole

Prepared by: ⁽³⁾ Rosalyn Cotton Date Prepared: ⁽⁴⁾ 1/9/18 Phone: ⁽⁵⁾ 402-479-5731

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2018-19</u> | | <u>FY 2019-20</u> | |
|---------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | <u>2,209,290</u> | <u> </u> | <u>2,209,290</u> | <u> </u> |
| CASH FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| FEDERAL FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| OTHER FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| TOTAL FUNDS | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

Explanation of Estimate:

This estimate is a base of 660 inmates being released and place on Parole per year. The cost per parolee per year is \$3,347.41. This includes staffing formulas, costs of parole salaries, services (anger management, Intensive Outpatient substance abuse treatment etc. and miscellaneous expenses.

* If Residential Substance Abuse Treatment is needed then an additional \$7,500 per client is needed for a total of \$10,847.41 (Not included in estimate at this point)

For every 50 moderate risk parolee's released one parole officer is needed. For every 35 high risk parolee's releases one officer is needed.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2018-19</u> | <u>2019-20</u> |
|---|----------------------------|--------------|-----------------------------------|-----------------------------------|
| | <u>18-19</u> | <u>19-20</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Specialized Officer/Senior Parole Officer | <u>6/9</u> | <u>6/9</u> | <u>264,960</u> <u>/345,600</u> | <u>264,960/</u> <u>345,600</u> |
| Supervisor/Clerical Staff | <u>2/5</u> | <u>2/5</u> | <u>123,474/</u> <u>188,685</u> | <u>123,474/</u> <u>188,685</u> |
| Benefits..... | | | <u>Included</u> <u>above</u> | <u>Included above</u> |
| Operating..... | | | <u>1,286,571</u> | <u>1,286.571</u> |
| Travel..... | | | <u> </u> | <u> </u> |
| Capital outlay..... | | | <u> </u> | <u> </u> |
| Aid..... | | | <u> </u> | <u> </u> |
| Capital improvements..... | | | <u> </u> | <u> </u> |
| TOTAL..... | | | <u>2,209,290</u> | <u>2,209,290</u> |

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 781

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Jeff Beaty Date Prepared: ⁽⁴⁾ 1/19/18 Phone: ⁽⁵⁾ 4024795767

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2018-19</u> | | <u>FY 2019-20</u> | |
|--------------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |

Explanation of Estimate:

LB 781 removes mandatory minimum penalties for class IC (5 years) and ID (3 years) felonies when the offender is under nineteen years of age. The bill does not affect the number of people who will be admitted for class 1D or 1C felonies, but by eliminating the mandatory minimum for those who are under nineteen, LB 781 will potentially shorten sentences and allow for parole earlier.

NDCS has received thirteen admissions of individuals under nineteen years of age for 1C and 1D felonies over the last three years, an average of 4.33 per year. Of these thirteen individuals, all but 2 had a minimum sentence of at least 5 years. Assuming judges do not change sentencing practices in response to the bill, LB 781 will reduce the parole eligibility and discharge dates for future admissions of individuals under nineteen by 1.5 years for a 1D felony or 2.5 years for a 1C felony.

NDCS estimates no fiscal impact from LB 781 over the next biennium. Due to low number of admissions, the high average minimum sentences for these felonies and the fact the bill applies to future crimes, the impact of LB 781 on the NDCS average daily population will not occur until after the end of the upcoming biennium. It is also unknown at this time how or if prosecutors or courts will adjust charging or sentencing practices to account for the removal of the mandatory minimum.

In future biennium, depending on changes in charging and sentencing practices, NDCS will see potential savings from individuals released on parole or discharged earlier than in the status quo due to the changes in LB 781 equal to the annual per diem (\$8,649 in FY17) prorated by the length of time they are released early.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2018-19</u> | <u>2019-20</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>18-19</u> | <u>19-20</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | <u>0</u> | <u>0</u> |

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 781

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 05 Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 2/6/18 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | <u>FY 2018-19</u> | | <u>FY 2019-20</u> | |
|---------------|---------------------|----------------|---------------------|----------------|
| | <u>EXPENDITURES</u> | <u>REVENUE</u> | <u>EXPENDITURES</u> | <u>REVENUE</u> |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | ===== | ===== | ===== | ===== |

Explanation of Estimate:

No fiscal impact

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| <u>POSITION TITLE</u> | <u>NUMBER OF POSITIONS</u> | | <u>2018-19</u> | <u>2019-20</u> |
|---------------------------|----------------------------|--------------|---------------------|---------------------|
| | <u>18-19</u> | <u>19-20</u> | <u>EXPENDITURES</u> | <u>EXPENDITURES</u> |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | _____ |