

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	1,793,070		8,105,279	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	1,793,070		8,105,279	

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

This bill would provide for earned time and discontinue the use of good time. This act becomes operative on October 1, 2015.

The Department of Correctional Services (DCS) estimate is summarized in the following table:

	FY2015-16	FY2016-17	FY2015-16	FY2016-17
ITEMS	Number of Positions		Expenditures	
Records Officer	1.00	1.00	30,316	30,316
Benefits			9,095	9,095
Operating			1,750,359	8,065,368
Travel			500	500
Capital Outlay			2,800	0
TOTAL	1.00	1.00	1,793,070	8,105,279

DCS estimates that this bill will increase the inmate population by 313 in FY16 and 1,132 in FY17. This will increase per diem costs by \$1,672,359 in FY16 and \$8,064,368 in FY17. The FY14 per diem cost for an individual inmate was \$7,124 per year. This is the cost for food, medical care, inmate wages, clothing, cleaning supplies, food service supplies, cell and dorm supplies, other supplies, and transportation. See the DCS attached response for additional details.

As of January 31, 2015, the inmate prison population was almost 160% of design capacity. On January 31, 2014, the inmate prison population was almost 155% of design capacity.

The Board of Parole estimates no fiscal impact from this bill.

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

2015

LB⁽¹⁾ 425

FISCAL NOTE

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

Prepared by: ⁽³⁾ Chris Peters Date Prepared: ⁽⁴⁾ 2/16/2015 Phone: ⁽⁵⁾ (402) 479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>1,793,070</u>	<u>0</u>	<u>8,105,279</u>	<u>0</u>

Explanation of Estimate:

LB 425 proposes to make several changes to the current good time laws. First, the bill replaces the existing good time system with an earned time system for all sentences imposed after the effective date of the act. Currently, inmates earn 6 months of good time for each 12 months of their sentence and the good time is awarded "up front" at the beginning of their sentence. LB 425 would replace this with an earned time system in which offenders can earn up to 15 days off of their sentence for every 30 days in which they are actively engaged in a vocational, educational or treatment program. Second, the bill provides that earned time only applies to eligibility for parole or mandatory supervision and does not reduce the maximum sentence. Third, the bill provides that the Department may forfeit any or all of an offenders earned time for rule violations and allows earned time to be suspended rather than forfeited. Forfeited earned time may not be reinstated while suspended earned time may be reinstated after 3 months of good behavior. Lastly, the bill provides that all accrued earned time shall be forfeited upon parole revocation.

The result of these proposed changes is that future inmates admitted to the Department will be required to serve their entire maximum sentence before being mandatorily discharged or discharged from parole, effectively doubling the potential length of stay for all inmates. The impact of these changes on the prison population and the associated fiscal impact is more difficult to determine, as there are a number of factors which are subjective or which cannot be predicted with precision. The following assumptions govern the projections in this fiscal note:

- Inmates will earn approximately 84% of the possible credits for participation in programming based upon current participation rates;
- Future admissions cohorts will mirror the FY2014 admissions cohort;
- Prosecutors and judges will not change their charging and sentencing decisions;

Based on these assumptions, LB 425 will increase the average daily population by approximately 313 inmates in FY 2016 and 1132 in FY 2017. With a per diem rate of \$7,124, the additional costs would be \$1,672,359 for FY 2016 (based on 9 months due to the Oct 1 operative date) and \$8,064,368 for FY 2017. Additional staff (Records Officer) would also be required to calculate sentences monthly. In addition to salary and benefits an additional \$1,500 would be necessary for operating and travel expenses, along with one-time costs of \$2,800 for office furnishings. Changes to the computer program for sentence calculation would take approximately four months to complete and cost approximately \$78,500.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Records Officer	1	1	30,316	30,316
Benefits.....			9,095	9,095
Operating.....			1,750,359	8,065,368
Travel.....			500	500
Capital outlay.....			2,800	
Aid.....				
Capital improvements.....				
TOTAL.....			1,793,070	8,105,279

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

2015

LB⁽¹⁾ 425

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾

Board of Parole

Prepared by: ⁽³⁾ Rosalyn Cotton - Chair

Date Prepared: ⁽⁴⁾ 1-26-15

Phone: ⁽⁵⁾ (402) 471-2156

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2015-16</u>		<u>FY 2016-17</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>2015-16</u>	<u>2016-17</u>
	<u>15-16</u>	<u>16-17</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____