

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5264-02
Bill No.: SB 903
Subject: Appropriations; Department of Corrections; County Government; Crimes and Punishment; Prisons and Jails
Type: #Updated
Date: February 11, 2016
 # Updated with agency responses

Bill Summary: This proposal modifies the state's requirements to reimburse counties for certain costs related to imprisonment and electronic monitoring for criminal offenders.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
#General Revenue	(\$4,076,118 to Unknown)	(\$4,891,341 to Unknown)	(\$4,891,341 to Unknown)
#Total Estimated Net Effect on General Revenue	(\$4,076,118 to Unknown)	(\$4,891,341 to Unknown)	(\$4,891,341 to Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
#Local Government	\$4,076,118 to Unknown	\$4,891,341 to Unknown	\$4,891,341 to Unknown

FISCAL ANALYSIS

ASSUMPTION

#Due to time constraints, **Oversight** prepared the fiscal note for the original bill without some agency responses, and reflected an Unknown negative fiscal impact to the General Revenue Fund for the changes outlined in the bill. Oversight has since received responses from the impacted agencies and has incorporated their estimates into this fiscal note.

#Officials from the **Department of Corrections (DOC)** state this legislation expands the number of instances in which the DOC would be required to reimburse counties for the costs of incarceration of prisoners in county jails.

#221.160 RSMo. This legislation change requires the Department to pay 100% of county jail expenses as soon as state charges are filed.

#DOC does not currently pay for incarceration expenses unless a conviction has been obtained or there is an acquittal for capital or felony charges. In those cases, the DOC would pay for 100% of the incarceration costs.

#In the proposed language, it is unclear if the DOC will be required to pay for jail bed days for offenders who were jailed but never brought to trial by the county. Therefore, the cost of this change is (Unknown).

#This legislation also states that costs for those subject to monitoring pursuant to section 221.025 (electronic monitoring) shall be reimbursed by the state in the amount of 100% of expenses.

#DOC does not currently pay for costs other than incarceration costs. Under current statute, an individual is not eligible to be released on electronic monitoring unless the person or the county commission agrees to pay for those costs.

#DOC is also not able to determine the usage of electronic monitoring by the counties and the cost would be (Unknown).

#550.030 RSMo. This legislation change requires the DOC to pay the counties for the cost of incarceration for offenders sentenced to the county jail for violation of a state criminal statute, or to pay a fine, or both, and is unable to pay the costs. The state shall pay the costs and may seek reimbursement from the defendant as provided by law.

ASSUMPTION (continued)

#DOC assumes that the language which requires reimbursement for violation of a state criminal statute will include all jail time for felony cases.

#Therefore, this legislation change has the potential for a significant financial cost to the Department. Based on figures obtained from the Office of State Courts Administrator, the DOC will become responsible for the additional costs of incarceration for felony cases sentenced to jail, or to pay a fine, or both.

#DOC obtained figures from the Office of State Courts Administrator to determine the number of cases that were convicted of a crime and the amount of time each case was eligible to be sentenced. The DOC also assumed that convicted offenders would not necessarily serve the entire sentence for which they were eligible. Some offenders might be released based on time served and others might be released early based on good behavior. Therefore, the DOC assumed that approximately half (50%) of the possible sentenced time would be served by offenders.

#The estimated cost of reimbursement for the additional jail bed days is calculated as follows:

Classification of Crime	Case Count	Avg. Possible Sentence	Assume 50% of time served	Bed Days	Cost @\$20.58 per day
Felony Unclassified	6	186	93	558	(\$11,484)
Felony A	5	186	93	465	(\$9,570)
Felony B	12	142	71	852	(\$17,534)
Felony C	1,047	217	109	113,600	(\$2,337,878)
Felony D	940	260	130	112,200	(\$2,514,876)
TOTAL	2,010			237,675	(\$4,891,341)

Source: Department of Corrections

#The legislation also allows the State to seek reimbursement from offenders for the cost of incarceration. However, the State does not have the same remedies for seeking reimbursement from offenders that the counties have. The DOC does not anticipate that there will much money collected from offenders to pay for these costs.

In summary, DOC states the impact of the proposed changes to these statutes would be the estimated cost of the additional jail bed days of (\$4,891,341) plus the unknown costs of electronic monitoring and pre-trial jail bed days.

#**Oversight** will reflect ten months of impact in FY 2017 ($\$4,891,341/12*10 = \$4,076,118$).

ASSUMPTION (continued)

#Officials from the **Office of Administration - Budget and Planning (B&P)** state the proposal will likely lead the state to an increase in General Revenue payments/obligations to counties. B&P defers to the Department of Corrections for the specific impact of costs associated with this proposal.

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact their agency.

Officials from **Cole County** and **Callaway County** each assume this would positively impact their respective counties.

#Officials from **St. Louis County** state reimbursement by the state for the electronic monitoring of an individual would generate additional revenue in the amount of \$100,000 for 2017, \$105,000 for 2018, and \$110,250 for 2019.

Oversight notes that according to budget submissions from the Department of Corrections, the state reimbursed counties for the past three fiscal years for Certificates of Delivery, extradition expenses, and for the cost of incarceration. As of July 1, 2015 the reimbursement rate is \$20.58 per day:

	FY 2013	FY 2014	FY 2015
Certificates of Delivery	\$ 2,022,861	\$ 1,892,884	\$ 1,943,466
Extradition expenses	\$ 1,788,868	\$ 1,506,710	\$ 2,226,330
Incarceration expenses	<u>\$34,248,866</u>	<u>\$33,518,451</u>	<u>\$39,143,794</u>
TOTAL	\$38,060,595	\$36,918,595	\$43,313,590

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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GENERAL REVENUE

#Costs - Department of Corrections change in reimbursement for costs of incarceration	<u>(\$4,076,118 to Unknown)</u>	<u>(\$4,891,341 to Unknown)</u>	<u>(\$4,891,341 to Unknown)</u>
#ESTIMATED NET EFFECT TO GENERAL REVENUE	<u>(\$4,076,118 to Unknown)</u>	<u>(\$4,891,341 to Unknown)</u>	<u>(\$4,891,341 to Unknown)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
COUNTIES			
<u>#Revenue</u> - payments from the Department of Corrections - change in reimbursement for costs of incarceration	<u>\$4,076,118 to Unknown</u>	<u>\$4,891,341 to Unknown</u>	<u>\$4,891,341 to Unknown</u>
#ESTIMATED NET EFFECT TO COUNTIES	<u>\$4,076,118 to Unknown</u>	<u>\$4,891,341 to Unknown</u>	<u>\$4,891,341 to Unknown</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

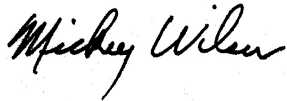
Under current law, the state must reimburse counties for the cost of imprisoning a criminal offender who is eventually sentenced to the Department of Corrections for the time the offender spent in the county jail. This act provides that, for those charged with felony offenses, the state must reimburse counties for the cost of imprisonment beginning on the date felony charges are filed against the prisoner by the county prosecutor, and after the offender is convicted of the state charge, regardless of whether the offender is sentenced to imprisonment in the Department of Corrections, to the county jail, or only sentenced to pay a fine. In addition, the state must pay 100 percent of the costs of the electronic monitoring of felony offenders.

This act specifies that, if the defendant is sentenced to imprisonment or to pay a fine or both for a violation of a county ordinance or misdemeanor offense and cannot pay the costs, the county must pay the costs and may seek reimbursement from the defendant.

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
#Office of Administration - Office of Administration - Budget and Planning
Office of the State Courts Administrator
Cole County
Callaway County
#St. Louis County



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