

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2168-01  
Bill No.: HB 875  
Subject: Boards, Commissions, Committees, Councils; Department of Corrections  
Type: Original  
Date: April 15, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Inmate Revolving*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**\* Offsetting revenues and costs of up to \$7,008,480 per fiscal year.**

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Department of Public Safety – Missouri State Highway Patrol** and the **Office of the State Public Defender** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would allow the parole board to require a payment, “not to exceed \$60 per month,” from every offender placed on probation, parole, or conditional release. Fees are to be used for various offender services.

CTS assumes the parole board would be responsible for the collection and disbursement of the fees. Therefore, there would be no cost to the judiciary. If it should become the responsibility of the judiciary, the work involved in collecting and disbursing this fee would be extensive. CTS would assume the cost would easily exceed \$100,000 per year.

Officials from the **Office of Prosecution Services** assume the proposal would not have a significant direct fiscal impact on county prosecutors.

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** assume the proposal would give the Board of Probation and Parole the authority to adopt rules to implement the provisions of this act. These rules would be published in the Missouri Register and the Code of State Regulations. These rules could require as many as 4 pages in the Code of State Regulations and half again as many pages in the Missouri Register, as cost statements, fiscal notes, and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23 and the estimated cost of a page in the Code of State Regulations is \$27. Based on these costs, the estimated cost of the proposal is \$246 in FY 06 and unknown in subsequent years. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn.

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

Officials from the **Department of Corrections (DOC)** assume this bill gives the Board of Probation and Parole (P&P) discretion to charge inmates placed under supervision on probation, parole, or conditional release a fee of up to sixty dollars.

This legislation gives the P&P Board the authority to impose a monthly supervision fee on offenders supervised in the community under probation or parole. P&P had 65,565 offenders under community supervision on January 31, 2005.

The DOC assumes it can successfully collect a \$30 monthly fee from 60% of those offenders on regular supervision (27,537) resulting in \$2,973,996 collections in the last 6 months of FY06. Additionally the DOC believes it can successfully collect a \$20 monthly fee from 60% of those offenders on minimum supervision (19,532) and the amount generated would be \$2,343,840 in the last 6 months of FY06. DOC estimates the private collection contract will cost approximately 20% resulting in a net of \$3,504,240 in FY06.

DOC projects it will take approximately 4 months to implement this process therefore only 6 months of collections are calculated for the first year of this fiscal note. Calculations for a full year beginning in FY07 are estimated to be \$7,008,480 following the same assumptions. Collections would be deposited in the DOC's Inmate Revolving Fund (IRF) to be used for residential facilities, substance abuse treatment and other community-based treatment for the offenders.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>INMATE REVOLVING FUND</b>			
<u>Revenues</u> – Department of Corrections			
Collection of monthly fees	Up to \$3,504,240	Up to \$7,008,480	Up to \$7,008,480
<u>Costs</u> – Department of Corrections			
Community-based treatment	(Up to <u>\$3,504,240</u> )	(Up to <u>\$7,008,480</u> )	(Up to <u>\$7,008,480</u> )
<b>ESTIMATED NET EFFECT ON INMATE REVOLVING FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

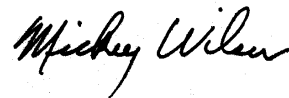
DESCRIPTION

The proposal would also authorize the Board of Probation and Parole to charge offenders placed under the supervision of the board a fee of up to \$60 a month. All fees would be deposited into the Inmate Fund within the state treasury and could be used for community corrections and intervention services for offenders. The board would adopt rules sanctioning offenders for nonpayment and establishing, waiving, collecting, and using the fees.

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

Office of State Courts Administrator  
Department of Corrections  
Department of Public Safety  
    – Missouri State Highway Patrol  
Office of Prosecution Services  
Office of the Secretary of State  
Office of the State Public Defender

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
April 15, 2005