

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4360H.01I
 Bill No.: HB 1545
 Subject: Crimes and Punishment; Department of Corrections; Criminal Procedure
 Type: Original
 Date: February 20, 2024

Bill Summary: This proposal modifies provisions relating to minimum sentences.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2034)
General Revenue*	\$0 to \$841,297	\$0 to \$1,258,462	\$0 to \$1,364,904	\$0 to \$2,539,282
Total Estimated Net Effect on General Revenue	\$0 to \$841,297	\$0 to \$1,258,462	\$0 to \$1,364,904	\$0 to \$2,539,282

*Oversight notes the decision to release or not is with the Missouri Board of Probation and Parole; therefore, the fiscal impact is ranged from \$0 to a reduction of 258 offenders in prison over the next 10 years.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2034)
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2034)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2034)
General Revenue*	0 to 2 FTE	0 to 2 FTE	0 to 3 FTE	0 to 5 FTE
Total Estimated Net Effect on FTE	0 to 2 FTE	0 to 2 FTE	0 to 3 FTE	0 to 5 FTE

*If a sufficient number of prisoners are paroled, the Department of Corrections would require additional FTE Probation and Parole Officers.

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	Fully Implemented (FY 2034)
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§558.019 – Minimum prison terms

Officials from the **Department of Corrections (DOC)** state this proposal modifies provisions relating to minimum sentences.

The bill reduces the time required for offenders over the age of sixty serving minimum prison terms and terms for dangerous felonies to 20%, 30%, 30% and 30%.

As of December 29, 2023, there were 1,097 offenders in prison with minimum prison terms eligible for an age-based adjustment prior to FY 2034 under current legislation. There were 3,006 offenders with minimum prison terms eligible for an age-based adjustment prior to FY 2034 under the proposed legislation.

Under current law, DOC expects 96 offenders to be eligible for parole consideration between FY 2025 and FY 2034. With the proposed changes, an additional 258 offenders are expected to be eligible for parole consideration during that ten-year period. Other offenders whose eligibility would be adjusted under the proposed law continue to have an expected consideration date outside of the 10-year time frame of this response.

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	10-Year
Current	9	11	11	5	11	5	7	10	13	14	96
Future	132	32	28	33	23	21	22	26	21	16	354
Difference	123	21	17	28	12	16	15	16	8	2	258

The Parole Board retains the authority to grant release once the offender meets the criteria; therefore, the department assumes an impact ranging from none to a reduction of 258 offenders in prison over the next 10 years. The offenders released from prison would be converted to community supervision.

	# to / (from) prison	Cost per year	Total Savings for prison	Change in probation & parole officers	Total cost for probation and parole	# to probation & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	(123)	(\$9,689)	\$993,123	2	(\$151,826)	123	\$841,297
Year 2	(144)	(\$9,689)	\$1,423,120	2	(\$164,658)	144	\$1,258,462
Year 3	(161)	(\$9,689)	\$1,622,950	3	(\$258,046)	161	\$1,364,904
Year 4	(189)	(\$9,689)	\$1,943,306	3	(\$252,276)	189	\$1,691,030
Year 5	(201)	(\$9,689)	\$2,108,025	3	(\$254,969)	201	\$1,853,055
Year 6	(217)	(\$9,689)	\$2,321,344	4	(\$352,974)	217	\$1,968,550
Year 7	(232)	(\$9,689)	\$2,531,442	4	(\$347,259)	232	\$2,184,183
Year 8	(248)	(\$9,689)	\$2,760,145	4	(\$350,974)	248	\$2,409,171
Year 9	(256)	(\$9,689)	\$2,906,165	5	(\$453,478)	256	\$2,452,687
Year 10	(258)	(\$9,689)	\$2,987,447	5	(\$448,165)	258	\$2,539,282

If this impact statement has changed from statements submitted in previous years, it could be due to an increase/decrease in the number of offenders, a change in the cost per day for institutional offenders, and/or an increase in staff salaries.

If the projected impact of legislation is less than 1,500 offenders added to or subtracted from the department's institutional caseload, the marginal cost of incarceration will be utilized. This cost of incarceration is \$26.545 per day or an annual cost of \$9,689 per offender and includes such costs as medical, food, and operational E&E. However, if the projected impact of legislation is 1,500 or more offenders added or removed to the department's institutional caseload, the full cost of incarceration will be used, which includes fixed costs. This cost is \$99.90 per day or an annual cost of \$36,464 per offender and includes personal services, all institutional E&E, medical and mental health, fringe, and miscellaneous expenses. None of these costs include construction to increase institutional capacity.

DOC's cost of probation or parole is determined by the number of P&P Officer II positions that are needed to cover its caseload. The DOC average district caseload across the state is 51 offender cases per officer. An increase/decrease of 51 cases would result in a cost/cost avoidance equal to the salary, fringe, and equipment and expenses of one P&P Officer II. Increases/decreases smaller than 51 offender cases are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

Oversight notes this bill modifies the minimum percentage of a sentence an individual over the age of 60 must serve. It changes the minimum time served for one previous commitment from 30

percent to 20 percent. For two or more previous commitments or if a person that has been found guilty of a dangerous felony, it is reduced from 40 percent to 30 percent.

Oversight does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect a range of \$0 (no parole granted) to DOC’s impact for fiscal note purposes.

Officials from the **Missouri Department of Transportation**, the **Missouri Office of Prosecution Services**, the **Office of the State Courts Administrator**, and the **Office of the State Public Defender** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT</u> <u>– State</u> <u>Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2034)
GENERAL REVENUE				
<u>Savings – DOC</u> (§558.019) Decreased incarceration costs	\$0 to \$993,123	\$0 to \$1,423,120	\$0 to \$1,622,950	\$0 to \$2,987,447
<u>Costs – DOC</u> (§558.019)	\$0 to ...	\$0 to ...	\$0 to ...	\$0 to ...
Personal Service	(\$75,638)	(\$91,672)	(\$138,885)	(\$248,170)
Fringe Benefits	(\$54,350)	(\$65,872)	(\$99,797)	(\$178,326)
Exp. & Equip.	(\$21,838)	(\$7,114)	(\$19,364)	(\$21,669)
<u>Total Costs - DOC</u>	<u>(\$151,826)</u>	<u>(\$164,658)</u>	<u>(\$258,046)</u>	<u>(\$448,165)</u>
FTE Change - DOC	0 to 2 FTE	0 to 2 FTE	0 to 3 FTE	0 to 5 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0 to</u> <u>\$841,297</u>	<u>\$0 to</u> <u>\$1,258,462</u>	<u>\$0 to</u> <u>\$1,364,904</u>	<u>\$0 to</u> <u>\$2,539,282</u>
Estimated Net FTE Change on General Revenue	0 to 2 FTE	0 to 2 FTE	0 to 3 FTE	0 to 5 FTE

<u>FISCAL IMPACT</u> <u>- Local</u> <u>Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	Fully Implemented (FY 2034)
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

MINIMUM SENTENCES (Section 558.019)

Currently, anyone with a previous prison commitment to the Department of Corrections must serve a minimum percentage of his or her sentence, as specified in law.

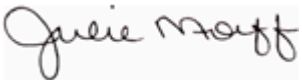
This bill modifies the percentage an individual must serve in relation to his or her age, as follows:

- (1) Currently a person who has one previous commitment must serve 40% of his or her sentence or until he or she reaches 70 years of age and has served at least 30% of his or her sentence. This bill changes the minimum time served in relation to age to 60 years of age and 20% of his or her sentence served; and
- (2) Currently a person who has two previous commitments must serve 50% of his or her sentence or until he or she reaches 70 years of age and has served at least 40% of his or her sentence. This bill changes the minimum time served in relation to age to 60 years of age and 30% of his or her sentence served.
- (3) Currently a person who has three or more previous commitments must serve 80% of his or her sentence or until he or she reaches 70 years of age and has served at least 40% of his or her sentence. This bill changes the minimum time served in relation to age to 60 years of age and 30% of his or her sentence served;
- (4) Currently a person who has been found guilty of a dangerous felony must serve at least 85% of his or her sentence or until he or she reaches 70 years of age and has served at least 40% of his or her sentence. This bill changes the minimum time served in relation to age to 60 years of age and 30% of his or her sentence served.

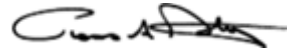
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Corrections
Missouri Department of Transportation
Missouri Office of Prosecution Services
Office of the State Courts Administrator
Office of the State Public Defender



Julie Morff
Director
February 20, 2024



Ross Strobe
Assistant Director
February 20, 2024