

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0277H.03P
Bill No.: Perfected HCS for HB Nos. 862, 314 & 389
Subject: Crimes and Punishment; Criminal Procedure; Courts
Type: Original
Date: April 24, 2025

Bill Summary: This proposal modifies provisions relating to minimum prison terms.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2035)
General Revenue	\$0	\$0	\$0	Could exceed (\$279,715,140)
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0	Could exceed (\$279,715,140)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2035)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2035)
Total Estimated Net Effect on All Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2035)
General Revenue	0 FTE	0 FTE	0 FTE	(130) FTE
Total Estimated Net Effect on FTE	0 FTE	0 FTE	0 FTE	(130) FTE

- ☒ 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 2026	FY 2027	FY 2028	Fully Implemented (FY 2035)
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 prison terms.

The bill modifies section 558.019 to require all new commitments to prison with one or two prior felony convictions to serve a minimum prison term of fifty percent of their sentence until age 70, beyond which the minimum prison term is reduced to forty percent of applicable sentences. The bill also requires all new commitments to prison with three or more previous convictions to serve a minimum prison term of eighty percent of their sentence until age 70, beyond which the minimum prison term is reduced to forty percent of applicable sentences.

While there were 1,134 offenders admitted to prison during FY 2024 on at least one sentence that made the current version of 558.019 applicable to their admission, there were 5,562 new commitments during FY 2024 that the proposed version of 558.019 could be applied to. The average length of the sentence cycles for those 5,562 offenders (after taking into account designations of concurrent and consecutive terms) was 12.2 years, with the expected average time to first release from prison being 6.1 years under current legislation and 7.9 years under the proposed legislation.

Given the relatively long length of these sentence cycles, DOC estimates no impact within the first 8 years. The cumulative impact on the department is estimated to be 6,674 additional offenders in prison and 6,674 fewer offenders on field supervision by FY 2035.

There will be an operational impact on the records office as this legislation changes how records staff calculate prior prison commitments and will require a detailed review of every offender's criminal history (Missouri, federal, and out of state) during intake and when an additional sentence is added after initial intake due to minimum prison terms being based on previous convictions. It is unknown how many records staff would need to be hired to be able to accommodate the changes in this legislation. Therefore, the department assumes an (\$279,715,140 - Unknown) impact.

Change in prison admissions and probation openings with legislation

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
New Admissions										
Current Law	5,562	5,562	5,562	5,562	5,562	5,562	5,562	5,562	5,562	5,562
After Legislation	5,562	5,562	5,562	5,562	5,562	5,562	5,562	5,562	5,562	5,562
Probation										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	0	0	0	0	0	0	0	0	0	0
Change (After Legislation - Current Law)										
Admissions	0	0	0	0	0	0	0	0	0	0
Probations	0	0	0	0	0	0	0	0	0	0
Cumulative Populations										
Prison	0	0	0	0	0	0	0	0	5,006	6,674
Parole	0	0	0	0	0	0	0	0	-5,006	-6,674
Probation	0	0	0	0	0	0	0	0	0	0
Impact										
Prison Population	0	0	0	0	0	0	0	0	5,006	6,674
Field Population	0	0	0	0	0	0	0	0	-5,006	-6,674
Population Change	0	0	0	0	0	0	0	0	0	0

	# to prison	Cost per year	Total Costs for prison	Change in probation & parole officers	Total savings for probation and parole	# to probation & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 2	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 3	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 4	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 5	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 6	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 7	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 8	0	(\$10,485)	\$0	0	\$0	0	\$0
Year 9	5,006	(\$36,591)	(\$214,618,175)	(98)	\$9,052,279	(5,006)	(\$205,565,896)
Year 10	6,674	(\$36,591)	(\$291,851,565)	(130)	\$12,136,425	(6,674)	(\$279,715,140)

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 \$28.73 per day or an annual cost of \$10,485 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 \$100.25 per day or an

annual cost of \$36,591 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 does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC's impact for fiscal note purposes. Oversight notes the change in DOC's cost per year to house offenders is due to the significant increase in the prison population and to possibly reopen housing units or to build a new facility(s).

In response to a previous version, officials from the **Office of the State Public Defender** and the **Office of the State Courts Administrator** each assumed 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.

House Amendment (HA) 1

DOC states HA 1 adds 571.015, Armed Criminal Action (ACA), to the list of offenses that are excluded from the 85% dangerous felony minimum mandatory term (which was removed last legislation session under SB 754). This applies to offenders who are found guilty after August 28, 2025, but the law doesn't go into effect until July 1, 2026. This will allow these offenders to be eligible for release earlier as they are not required to serve 85% of their sentence. This legislation is unclear as the dates listed in this amendment have two separate effective dates. When the law goes into effect on July 1, 2026, Records staff will then manually review any offender who was found guilty of ACA after August 28, 2025, and re-calculate their minimum mandatory prison terms to remove the 85% requirement. Due to the conflicting dates in this amendment, it could cause an unknown impact on the department.

Bill as a whole, as amended

Officials from the **Missouri Department of Transportation** and the **Missouri Office of Prosecution Services** 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 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2035)
GENERAL REVENUE				
<u>Savings – DOC</u> (§558.019)				
Personal services	\$0	\$0	\$0	\$6,658,860
Fringe benefits	\$0	\$0	\$0	\$4,914,163
Exp. & Equip.	\$0	\$0	\$0	\$563,402
<u>Total Savings -</u> <u>DOC</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$12,136,425</u>
FTE Change - DOC	0 FTE	0 FTE	0 FTE	(130) FTE
<u>Cost – DOC</u> (§558.019) Increased incarceration costs	\$0	\$0	\$0	(\$291,851,565)
<u>Cost – DOC</u> (§558.019) Potential increase in records staff	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0 to</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>Could exceed</u> <u>(\$279,715,140)</u>
Estimated Net FTE Change on General Revenue	0 FTE	0 FTE	0 FTE	(130) FTE

<u>FISCAL IMPACT</u> <u>– Local</u> <u>Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2035)
	<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

The proposed legislation modifies provisions relating to minimum prison terms.

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
April 24, 2025



Jessica Harris
Assistant Director
April 24, 2025