

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4930H.011
 Bill No.: HB 2256
 Subject: Crimes and Punishment
 Type: Original
 Date: January 27, 2026

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

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

| FUND AFFECTED | FY 2027 | FY 2028 | FY 2029 | Fully Implemented (FY 2034) |
|--|---|------------|------------|----------------------------------|
| General Revenue* | (Likely to exceed \$875,000,000) | \$0 | \$0 | (\$84,188,961 to Unknown) |
| Total Estimated Net Effect on General Revenue | (Likely to exceed \$875,000,000) | \$0 | \$0 | (\$84,188,961 to Unknown) |

*Oversight assumes due to the capacity projections noted by DOC and the volume of offenders sentenced under this proposed legislation. Oversight has made the decision to reflect the cost of one new prison (could exceed \$825,000,000) along with operational costs (approximately \$50,000,000) beginning in FY 2027. However, due to the number of offenders being sentenced by FY 2034, a total of five (5) prisons could be necessary (7,768 / 1,500).

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

| FUND AFFECTED | FY 2027 | FY 2028 | FY 2029 | 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 2027 | FY 2028 | FY 2029 | 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 2027 | FY 2028 | FY 2029 | Fully Implemented (FY 2034) |
|--|--------------|--------------|--------------|-----------------------------|
| General Revenue | 0 FTE | 0 FTE | 0 FTE | (152) FTE |
| | | | | |
| Total Estimated Net Effect on FTE | 0 FTE | 0 FTE | 0 FTE | (152) 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 2027 | FY 2028 | FY 2029 | Fully Implemented (FY 2034) |
|-------------------------|------------|------------|------------|-----------------------------|
| | | | | |
| | | | | |
| Local Government | \$0 | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

§§217.760 & 558.019 – Minimum prison terms

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

Section 558.019 is modified 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 1,405 offenders admitted to prison during FY 2025 on at least one sentence that made the current version of 558.019 applicable to their admission, there were 4,855 new commitments during FY 2025 that the proposed version of 558.019 could be applied to. The average length of the sentence cycles for those 4,855 offenders (after taking into account designations of concurrent and consecutive terms) was 9.6 years, with the expected average time to first release from prison being 4.1 years under current legislation and 6.4 years under the proposed legislation.

Given the relatively long length of these sentence cycles, DOC estimates no impact within the first 5 years. The cumulative impact on the department is estimated to be 7,768 additional offenders in prison and 7,768 fewer offenders on field supervision by FY 2034.

| | # 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 | (\$11,123) | \$0 | 0 | \$0 | 0 | \$0 |
| Year 2 | 0 | (\$11,123) | \$0 | 0 | \$0 | 0 | \$0 |
| Year 3 | 0 | (\$11,123) | \$0 | 0 | \$0 | 0 | \$0 |
| Year 4 | 0 | (\$11,123) | \$0 | 0 | \$0 | 0 | \$0 |
| Year 5 | 0 | (\$11,123) | \$0 | 0 | \$0 | 0 | \$0 |
| Year 6 | 486 | (\$11,123) | (\$5,968,416) | (9) | \$873,171 | (485) | (\$5,095,244) |
| Year 7 | 5,341 | (\$11,123) | (\$66,902,993) | (104) | \$10,196,943 | (5,341) | (\$56,706,050) |
| Year 8 | 7,768 | (\$11,123) | (\$99,250,421) | (152) | \$15,061,459 | (7,768) | (\$84,188,961) |
| Year 9 | 7,768 | (\$11,123) | (\$101,235,429) | (152) | \$15,221,620 | (7,768) | (\$86,013,810) |
| Year 10 | 7,768 | (\$11,123) | (\$103,260,138) | (152) | \$15,383,291 | (7,768) | (\$87,876,847) |

The department will assume a marginal cost (multiplied by number of offenders) for any projected increase or decrease in the incarcerated population. Marginal cost is \$30.47 per day or an annual cost of \$11,123 per offender which includes costs such as medical, food, wages and operational E&E. The unknown amount is a result of the uncertainty in the growth of the underlying offender population. The impact of any new legislation combined with the growth of the underlying population could result in the tiered approach below in order to meet the population demands.

1. Fully staffing the current capacity (27,368) which is habitable, but DOC does not have the staffing resources for all bed space.
2. Rehabilitating current space that is not currently habitable and obtaining staffing resources for that space (requires capital improvements).
3. Expanding new capacity by adding housing units or wings to existing prisons and obtaining staffing resources for that space (requires capital improvements).
4. Constructing a new prison and obtaining staffing resources. Based on current construction projects in other Midwest states, the department estimates the cost of constructing a new 1,500-bed maximum security prison at approximately \$825 million to \$900 million plus annual operating costs of approximately \$50 million (requires capital improvements).

The department's population projections indicate current physical capacity will be met by July 2029; however recent trends indicate that capacity could be met much sooner. Should new construction be the result of the increasing offender population, the full cost per day per offender would be used which is \$106.96 or an annual cost of \$39,040. This includes all items in the marginal cost calculation plus fringe, personal service, utilities, etc.

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.

* 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.

Oversight does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC's impact for fiscal note purposes. Oversight assumes due to the capacity projections noted by DOC and the volume of offenders sentenced under this proposed

legislation; Oversight has made the decision to reflect the cost of one new prison (could exceed \$825,000,000) along with operational costs (approximately \$50,000,000) beginning in FY 2027. However, due to the number of offenders being sentenced by FY 2034, a total of five (5) prisons could be necessary (7,768 / 1,500).

Officials from the **Missouri Department of Transportation, Office of the State Courts Administrator**, and **Office of the State Public Defender** each assume the proposal will have no fiscal impact on their respective organizations.

In response to similar legislation, Perfected HCS for HB Nos. 862, 314 & 389 (2025), officials from the **Missouri Office of Prosecution Services** assumed the proposal will have no fiscal impact on their organization.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies. Oversight notes this proposal has a delayed implementation date of July 1, 2027.

| <u>FISCAL IMPACT – State Government</u> | FY 2027 | FY 2028 | FY 2029 | Fully Implemented (FY 2034) |
|--|---|-------------------|-------------------|---|
| GENERAL REVENUE | | | | |
| <u>Savings – DOC (\$558.019) p.3-5</u> | | | | |
| Personal Service | \$0 | \$0 | \$0 | \$8,395,568 |
| Fringe Benefits | \$0 | \$0 | \$0 | \$6,038,887 |
| Exp. & Equip. | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$627,004</u> |
| <u>Total Savings - DOC</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$15,061,459</u> |
| FTE Change - DOC | 0 FTE | 0 FTE | 0 FTE | (152) FTE |
| <u>Cost – DOC (\$558.019) Cost of a new prison and operational costs p.3-5</u> | (Likely to exceed \$875,000,000) | \$0 | \$0 | \$0 |
| <u>Cost – DOC (\$558.019) Increased incarceration costs p.3-5</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | (<u>\$99,250,421 to Unknown</u>) |
| ESTIMATED NET EFFECT ON GENERAL REVENUE | (Likely to exceed <u>\$875,000,000</u>) | <u>\$0</u> | <u>\$0</u> | (<u>\$84,188,961 to Unknown</u>) |

| <u>FISCAL IMPACT – State Government</u> | FY 2027 | FY 2028 | FY 2029 | Fully Implemented (FY 2034) |
|---|---------|---------|---------|-----------------------------------|
| Estimated Net FTE Change on General Revenue | 0 FTE | 0 FTE | 0 FTE | (152) FTE |

| <u>FISCAL IMPACT – Local Government</u> | FY 2027 | FY 2028 | FY 2029 | Fully Implemented (FY 2034) |
|---|------------|------------|------------|-----------------------------------|
| | | | | |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | | | | |

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

MINIMUM PRISON TERMS (Sections 217.760 and 558.019)

Currently, if an offender convicted of one of the offenses specified in statute has one previous prison commitment to the Department of Corrections for a felony offense, the minimum prison term is 40% of the sentence. If an offender has two previous prison commitments to the Department of Corrections for felony offenses, the minimum prison term is 50% of the sentence. If an offender has three or more previous prison commitments to the Department of Corrections, the minimum prison term is 80% of the sentence. If an offender who was convicted of or pled guilty to a felony offense other than one of the specified offenses in statute prior to August 28, 2019, the offender is no longer subject to the minimum prison term in these provisions and is eligible for parole, conditional release, or other early release, as specified.

This bill repeals these provisions, requiring any offender with one or two prior felony convictions to serve 50% of the sentence imposed by the court and any offender with three or more prior felony convictions to serve 80% of the sentence.

The provisions of this bill will go into effect on July 1, 2027.

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

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SOURCES OF INFORMATION

Department of Corrections

Missouri Department of Transportation

Office of the State Courts Administrator

Office of the State Public Defender

Missouri Office of Prosecution Services



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