

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1195-02
Bill No.: Perfected SS for SB 201
Subject: Appropriations; Corrections Department; Counties; County Government; Crimes and Punishment; Prisons and Jails
Type: Updated
Date: March 12, 2015

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 2016	FY 2017	FY 2018
General Revenue	(\$4,036,267 to Unknown)	(\$4,036,267 to Unknown)	(\$4,036,267 to Unknown)
Total Estimated Net Effect on General Revenue	(\$4,036,267 to Unknown)	(\$4,036,267 to Unknown)	(\$4,036,267 to Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Local Government	\$4,036,267 to Unknown	\$4,036,267 to Unknown	\$4,036,267 to Unknown

FISCAL ANALYSIS

ASSUMPTION

Oversight originally had to prepare a fiscal note for this bill without all of the needed responses. Without a response from the Department of Corrections, Oversight assumed the proposal would increase the state reimbursement payments to the counties by an unknown amount. Oversight has received an estimate from the Department of Corrections for this Senate Substitute.

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:

	FY 2012	FY 2013	FY 2014
Certificates of Delivery	\$ 1,841,049	\$ 2,022,861	\$ 1,892,884
Extradition expenses	\$ 1,826,271	\$ 1,788,868	\$ 1,506,710
Incarceration expenses	<u>\$34,393,293</u>	<u>\$34,248,866</u>	<u>\$33,518,451</u>
TOTAL	\$38,060,613	\$38,060,595	\$36,918,595

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

221.160 RSMo - requires the Department to pay fifty percent of county jail expenses for persons charged with a felony offense as soon as state charges are filed.

The Department 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.

The DOC is not able to obtain figures on the number of jail bed days for offenders who would qualify for the 50% rate. The DOC assumes it could include offenders 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 charged with a felony offense and subject to monitoring pursuant to section 221.025 (electronic monitoring) shall be reimbursed by the state in the amount of one hundred percent of expenses.

ASSUMPTION (continued)

The Department 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.

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

550.030 RSMo. - requires the DOC to pay the counties for the cost of incarceration for offenders sentenced to the county jail for a felony offense, 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.

The Department does not currently pay for the incarceration expenses of offenders sentenced to jail, or to pay a fine, or both for a felony offense.

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.

The DOC obtained figures from the Office of State Courts Administrator to determine the number of cases that were convicted of a crime, the percentage of cases that were Suspended Execution of Sentence (SES), and the amount of time each case was eligible to be sentenced to. The DOC assumes the SES cases will not accrue jail time since their sentence was not executed, although the DOC might be required to pay for any pre-trial jail time. The DOC also assumed that convicted offenders would not necessarily serve the entire sentence for which they were eligible. Some offenders might get out based on time served and others might get out early based on good behavior. Therefore, the DOC assumed that approximately half (50%) of the possible sentenced time would be served by offenders.

ASSUMPTION (continued)

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

Classification of Crime	Case Count	Percentage Suspended execution of sentence (SES)	Case Count non-SES	Average Possible Sentence	Assume 50% of time served	Bed Days	Cost @ \$20.58 per day
Felony Unclassified	27	3.70%	26	186	93	2,418	\$49,764
Felony B	11	27.27%	8	142	71	568	\$11,690
Felony C	1,095	6.66%	1,022	217	108.5	110,895	\$2,282,217
Felony D	786	19.51%	633	260	130	82,245	\$1,692,596
Total	1,919		1,689			196,126	\$4,036,267

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.

The impact of the proposed changes to these statutes would be the estimated cost of the additional jail bed days of \$4,036,267 for additional felony cases and the unknown costs of electronic monitoring and pre-trial jail bed days.

In response to a previous version, officials from **Cole County** stated the legislation would have an estimated \$900,000 positive fiscal impact on their county annually.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
<u>Costs</u> - Department of Corrections change in reimbursement for costs of incarceration	(\$4,036,267 <u>Unknown</u>)	(\$4,036,267 to <u>Unknown</u>)	(\$4,036,267 to <u>Unknown</u>)
ESTIMATED NET EFFECT TO GENERAL REVENUE	<u>(\$4,036,267 to Unknown)</u>	<u>(\$4,036,267 to Unknown)</u>	<u>(\$4,036,267 to Unknown)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
COUNTIES			
<u>Revenue</u> - payments from the Department of Corrections - change in reimbursement for costs of incarceration	\$4,036,267 <u>Unknown</u>	\$4,036,267 to <u>Unknown</u>	\$4,036,267 to <u>Unknown</u>
ESTIMATED NET EFFECT TO COUNTIES	<u>\$4,036,267 to Unknown</u>	<u>\$4,036,267 to Unknown</u>	<u>\$4,036,267 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

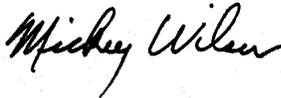
Under current law, the state must reimburse counties for the cost of imprisoning a criminal offender who is eventually sentenced to the Department of Corrections for the time such offenders spent in the county jail. This act provides that the state must reimburse counties at a rate of half the cost currently being reimbursed to counties by the state beginning on the date state charges are filed against the prisoner by the county prosecutor, and at a rate of 100 percent of expenses 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 such 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 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
Cole County



Mickey Wilson, CPA
Director
March 12, 2015

Ross Strobe
Assistant Director
March 12, 2015