

PREPARED BY: Doug Nichols
 DATE PREPARED: March 21, 2017
 PHONE: 402-471-0052

LB 447

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for amendments adopted through March 8, 2017.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0		(\$38,456)	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	0		(\$38,456)	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill, as amended, would eliminate certain mandatory minimum penalties.

Eliminating certain mandatory minimum penalties could reduce the state prison population because inmates would not have to serve a mandatory minimum sentence before being able to earn good time. This could result in offenders be paroled or released earlier.

The Department of Correctional Services (NDCS) estimates a savings of \$38,456 in FY19 due to a lower prison population. See the agency response attached for additional details not included in this fiscal note.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 447	AM: 546 Revised	AGENCY/POLT. SUB: Nebraska Department of Correctional Services (46)
REVIEWED BY: Joe Wilcox	DATE: 3/20/2017	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Department of Correctional Services revised estimate of potential fiscal impact to the Agency as a result of AM 546 to LB 447.		

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2017

LB⁽¹⁾ 447 AM546 REVISED

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Department of Correctional Services

Prepared by: ⁽³⁾ Sara Sump Date Prepared: ⁽⁴⁾ 1/11/17 Phone: ⁽⁵⁾ 402.479.5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2017-18</u>		<u>FY 2018-19</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0</u>	<u>0</u>	<u>(\$38,456)</u>	<u>0</u>
CASH FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FEDERAL FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
OTHER FUNDS	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u> </u>	<u>0</u>	<u>(38,456)</u>	<u>0</u>

Explanation of Estimate:

LB 447 eliminates the mandatory minimum penalty for class IC (5 years) and ID (3 years) felonies. The bill does not affect the number of people who will be admitted for class 1D or 1C felonies, but eliminating the mandatory minimum for individuals sentenced to these crimes will potentially shorten sentences and allow for parole discharge earlier. From 2012-2016NDCS averaged 126 admissions per year for class IC and ID felonies which represent 5.3% of the NDCS average daily population (ADP) over the same time period.

Data from inmates convicted of Class IC and/or Class ID felonies between 2012 and 2016 suggest that if judges and prosecutors do not change their charging or sentencing practices the proposed changes would enable inmates to reach their parole eligibility dates and tentative release dates approximately 2.3 years sooner than under the existing penalty structure.

If adopted, the bill will have an August 2017 effective date and applies to individuals who commit these crimes after the effective date of the act. Offenders have to be processed through the criminal justice system before beginning their criminal sentence and will still have a minimum term of 3 or 5 years. The department estimates that LB 447 will not reduce the average daily population in FY 18 and will reduce the ADP between 19 and 27 inmates in FY19. This reduction in ADP will result in a reduction of costs to the Department of \$182,685 to \$259,605 in FY 19 based on the current per diem rate of \$9,615 per year. Due to the potential that judges will increase sentences or prosecutors will change charging practices in response to LB 447, the Department is utilizing the lower end of the range of projected savings in this fiscal note.

LB 447 was amended by AM 546 on general file. AM 546 amends the bill to only remove mandatory minimums for class IC and ID drug felonies. Of the 710 inmates currently incarcerated for class IC or ID felonies, only 95 are drug offenses. Limiting the bill to drug felonies is estimated to reduce department's average daily population by 4-7 inmates in FY 19. This will result in savings to the department in FY19 of between \$38,456 to \$67,298.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2017-18</u>	<u>2018-19</u>
	<u>17-18</u>	<u>18-19</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	<u> </u>	<u> </u>	<u> </u>	<u>(\$38,456)</u>
Operating.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Travel.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital outlay.....	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Aid.....	_____	_____
Capital improvements.....	_____	_____
TOTAL.....	_____	_____
		(\$38,456)