

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Updated for amendments adopted through August 4, 2020.

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2020-21		FY 2021-22	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS	100,000		0	
TOTAL FUNDS	100,000		0	

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

This bill, as amended by AM3094, would make committed offenders automatically eligible for parole within two years of their mandatory discharge date, unless their sentence provides for an earlier parole eligibility date.

AM3094 adds the provisions of LB1036, which would allow persons eighteen years of age to make health care decisions and persons under nineteen years of age in correctional facilities to consent to medical and mental health care.

AM3094 requires the Director of Supervision and Services establish standards and policies including caseload standards for the field parole service, and it also states that the director shall request adequate funding to ensure sufficient staffing levels to comply with state law, including section 83-1,103.

AM3094 also requires annual reports beginning in January of 2021 regarding caseloads.

The provisions of AM3094 that would make committed offenders automatically eligible for parole within two years of their mandatory discharge date, unless their sentence provides for an earlier parole eligibility date, could reduce the number of persons in prison because they could be paroled earlier than under current law. This could save the Department of Correctional Services (DCS) per diem costs. The FY19 per diem cost for an individual inmate was \$9,408 per year, which includes DCS inmates in county jails.

Persons paroled earlier could help with reducing prison overcrowding. As of January-March 2020, the prison population was 158% of design capacity, or 161% if DCS inmates housed in county jails are included.

DCS estimates that this bill is not expected to produce measurable effects on the prison population in the next two fiscal years.

DCS is estimating a one-time cost of \$100,000 for programming changes to the sentence calculation application in FY21. See the agency response attached for additional details not included in this fiscal note.

NOTE: DCS shows the \$100,000 for the programming changes as a General Fund cost, and this fiscal note shows it as a Revolving Fund cost. The reason for the difference is that the "A" bill transfers \$100,000 from the Correctional Industries Revolving Fund to the General Fund. These transfers are authorized by the statute that created this Revolving Fund (Section 83-150: Correctional Industries Revolving Fund; created; use; investment).

The Board of Parole is estimating that this bill, as amended by AM3094, could result in approximately 400 additional people on parole per year. The agency estimates this could cost \$2,905,768 in FY22 for up to five Specialized or Senior Parole Officers, benefits, treatment and transitional housing costs. However, at this time, they are estimating no additional expenditures based on AM3094. See their response for additional details not included on this fiscal note.

The bill was also amended by AM3224, which said that any changes made by this bill shall not apply to any sentence imposed prior to the effective date of this act.

The Board of Parole estimated that 400 additional people could be on parole in FY22. It is possible that AM3224 may delay these additional people on parole to a later year.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1004	AM: 3094	AGENCY/POLT. SUB: Nebraska Department of Correctional Services (046)
REVIEWED BY: Joe Wilcox	DATE: 7/27/2020	PHONE: (402) 471-4178
COMMENTS: Do not disagree with the Nebraska Department of Correctional Services (NDCS) estimate of potential Fiscal impact to the Agency from LB 1004, as amended by the Judiciary Committee Amendment – AM 3094.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 1004	AM: 3094	AGENCY/POLT. SUB: Nebraska Board of Parole (015)
REVIEWED BY: Joe Wilcox	DATE: 07/24/2020	PHONE: (402) 471-4178
COMMENTS: No basis to disagree with the number of additional staff and corresponding Salary costs estimated by the Nebraska Board of Parole as a result of LB 1004, as amended by the Judiciary Committee Amendment – AM 3094, however, the estimate of \$200,000 for Benefits appears to be excessive given the total number of FTE's and salary costs estimated (it reflects 54% of salary costs). A more reasonable figure for Benefits might be closer to \$130,000. Also, the fiscal note narrative identifies LB 1004 could result in a potential increase of 400 more inmates on Parole per year, at an average annual operating cost of \$3,347.41 per Parolee. This would result in additional annual operating costs of \$1,338,964 yet the fiscal note estimates this cost to be \$2,336,464, which is \$997,500 higher than the narrative would indicate.		

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2020

LB⁽¹⁾ 1004 AM3094

FISCAL NOTE

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

Prepared by: ⁽³⁾ Lisa Stanton Date Prepared: ⁽⁴⁾ 07/22/2020 Phone: ⁽⁵⁾ (402)479-5702

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>100,000</u>	<u> </u>	<u> </u>	<u> </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>100,000</u>	<u> </u>	<u>0</u>	<u> </u>

Explanation of Estimate:

LB 1004 AM3094 changes provisions relating to eligibility for parole, allows persons under nineteen years of age who are committed to the Department of Correctional Services to consent to medical care, mental health services, and related services, and makes changes within the Division of Parole Supervision.

The changes to parole eligibility could reduce the number of persons in prison, however, given that the average minimum sentence for inmates admitted in FY2020 was 6.13 years it is not expected to produce measurable effects on the NDCS population in the next two fiscal years.

Of note are 219 admissions in 2020 with maximum sentences of less than 4 years who will likely serve a maximum of two years in NDCS custody. The proposed legislation would make these individuals eligible for parole on the day they enter NDCS custody.

NDCS estimates programming changes to the sentence calculation application in the electronic inmate file to cost \$100,000.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21 EXPENDITURES</u>	<u>2021-22 EXPENDITURES</u>
	<u>20-21</u>	<u>21-22</u>		
<u>Benefits.....</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Operating.....</u>	<u> </u>	<u> </u>	<u>100,000</u>	<u> </u>
<u>Travel.....</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Capital outlay.....</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Aid.....</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Capital improvements.....</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL.....	<u> </u>	<u> </u>	<u>100,000</u>	<u>0</u>

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2020

LB⁽¹⁾ 1004, AM 3094

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Board of Parole

Prepared by: ⁽³⁾ Rosalyn Cotton Date Prepared: ⁽⁴⁾ July 23, 2020 Phone: ⁽⁵⁾ 402-479-5731

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2020-21</u>		<u>FY 2021-22</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	2,905,768.00	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

*****No Additional Expenditures for LB 1004, AM 3094*****

Estimation of approximately an additional four hundred people on parole per year (133 high risk clients and 267 moderate risk clients):

The cost per parolee per year is \$3,347.41. This includes operating expenses, treatment (domestic violence groups, intensive outpatient substance abuse treatment, trauma recovery groups etc.) transitional housing stipends and miscellaneous expenses.

* If Residential Substance Abuse Treatment is needed an additional \$7,500 per client is needed for a total of \$10,847.41 (Not included in estimate at this point)

For every fifty moderate risk parole clients released one parole officer is needed. For every thirty high risk parole clients released one officer is needed.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2020-21</u>	<u>2021-22</u>
	<u>20-21</u>	<u>21-22</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Specialized Officer/Senior Parole Officer	_____	4/5	_____	177,304/ 192,000
Benefits.....	_____	_____	_____	200,000
Operating.....	_____	_____	_____	2,336, 464 .00

Travel.....	_____	_____
Capital outlay.....	_____	_____
Aid.....	_____	_____
Capital improvements.....	_____	_____
TOTAL	_____	<u>2,905,768.00</u>