



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**FINAL  
FISCAL NOTE**

<b>Drafting Number:</b>	LLS 18-0308	<b>Date:</b>	May 24, 2018
<b>Prime Sponsors:</b>	Rep. Weissman Sen. Lundberg	<b>Bill Status:</b>	Signed into Law
		<b>Fiscal Analyst:</b>	Greg Sobetski   303-866-4105 Greg.Sobetski@state.co.us

**Bill Topic:** LOWERING MANDATORY PAROLE FROM FIVE YEARS TO THREE YEARS

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill reduces mandatory parole periods from five years to three years for class 3 felony crimes committed on and after July 1, 2018, and for class 2 felony crimes that are not crimes of violence. This bill minimally increases state workload in FY 2018-19 and reduces state expenditures in FY 2026-27 and subsequent years.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note reflects the enacted bill.

**Table 1  
State Fiscal Impacts Under HB 18-1029**

		FY 2018-19	FY 2019-20	FY 2027-28
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	General Fund	-	-	(\$2.3 million)
	<b>Total</b>	-	-	<b>(\$2.3 million)</b>
<b>Transfers</b>		-	-	-

**Summary of Legislation**

This bill reduces mandatory parole periods to three years for offenders sentenced for class 3 felony crimes committed on and after July 1, 2018, and for class 2 felony crimes that are not crimes of violence. Under current law, these crimes carry a mandatory parole period of five years to be served after an offender's release from prison.

**State Expenditures**

This bill generates a minimal workload increase in the Office of Information Technology (OIT) during FY 2018-19 only. The bill is not expected to impact state expenditures until May 2027. Table 2 presents the bill's impact on state General Fund expenditures for the Department of Corrections (DOC) in FY 2027-28, the first year for which the bill has an impact in all twelve months; FY 2029-30, the first full year impact for class 3 felony crimes; and FY 2036-37, the first full year impact for both class 2 and class 3 felony crimes.

**Table 2**  
**State Expenditures and Parole Caseload Under HB 18-1029 in Selected Years**

	<b>FY 2027-28</b>	<b>FY 2029-30</b>	<b>FY 2036-37</b>
Change in Average Daily Parole Caseload	(360 offenders)	(750 offenders)	(990 offenders)
Assumed Parole Cost Per Day	\$17.61	\$18.83	\$23.79
<b>Impact on Parole Costs - General Fund</b>	<b>(\$2.3 million)</b>	<b>(\$5.1 million)</b>	<b>(\$8.6 million)</b>

**Assumptions.** The amounts in Table 2 are based on the following assumptions:

- Offenders begin their prison sentences six months after they commit the applicable crime. For example, offenders who commit crimes in July 2018 will begin their sentences in January 2019.
- For fiscal years beyond the current prison population forecast period, prison admissions will grow by the rate of the state population increase as estimated by the State Demography Office.
- The share of prison admissions attributable to new court commitments will be 62.3 percent, consistent with admissions during FY 2016-17.
- The share of new court commitments attributable to each criminal classification will remain constant. Among newly committed offenders, 8.0 percent will have a controlling sentence for a class 3 felony and 1.7 percent will have controlling sentence for a class 2 felony that is not a crime of violence.
- Offenders sentenced for a class 3 felony will serve 75 months in prison and offenders sentenced for a class 2 felony will serve 160 months in prison, consistent with Division of Criminal Justice (DCJ) expectations for average lengths of stay. Parole Board decisions in matters of parole applications will not be affected by changes to the mandatory parole period.

- Under current law, offenders sentenced for a class 3 felony will remain on parole for 42 months and offenders sentenced to a class 2 felony will remain on parole for 41 months. These durations are consistent with DCJ expectations for parole periods.
- Under this bill, periods of parole in these two crime classifications will be reduced by 40 percent, consistent with the reduction from a five year mandatory parole period to a three year mandatory parole period. Offenders sentenced to a class 2 or class 3 felony will remain on parole for 25 months.
- Beginning from \$13.03 in FY 2018-19, the cost per day for a single parolee will increase by 3.4 percent annually, the compound average annual growth rate for parole costs between FY 1999-00 and FY 2015-16.

**Timing.** Timing assumptions for the first affected cohort, comprising offenders sentenced for crimes committed in July 2018, are shown in Table 3. The bill's first full fiscal impact will occur in FY 2036-37 when the impacts for both crime classifications fully manifest.

**Table 3  
 Predicted Release and Discharge Under Current Law and HB 18-1029**

	<b>Offense</b>	<b>Sentenced</b>	<b>Paroled</b>	<b>Discharged Current Law</b>	<b>Discharged HB 18-1029</b>
Class 3 Felony	July 2018	January 2019	April 2025	October 2028	May 2027
Class 2 Felony	July 2018	January 2019	May 2032	October 2035	June 2034

Based on the assumptions above, offenders who are sentenced for a class 3 felony committed in July 2018 will be committed to a DOC facility in January 2019 and will be released on parole in April 2025 after 75 months of incarceration. Under current law, these offenders would be discharged from parole supervision after 42 months in October 2028. Under this bill, these offenders would be discharged from parole supervision after 25 months in May 2027. Thus, the bill reduces parole caseload relative to current law beginning in May 2027, and its impact on parole caseload for class 3 felony offenders is fully phased in beginning in October 2028.

Offenders who are sentenced for a class 2 felony committed in July 2018 will be released on parole in May 2032 after 160 months of incarceration. Under current law, these offenders would be discharged after 41 months in October 2035. Under this bill, these offenders will be discharged after 25 months in June 2034. Thus, the bill reduces parole caseload for class 2 felony offenders beginning in June 2034, and the impact on parole caseload is fully phased in beginning in October 2035.

**Affected population.** The December 2017 Legislative Council Staff forecast anticipates that 10,127 offenders will be admitted to prison during FY 2018-19. It is assumed that approximately 108 offenders will be admitted as a result of a class 2 felony sentence that is not for a crime of violence, and 505 offenders will be admitted as a result of a class 3 felony sentence. For fiscal years beyond FY 2019-20, these figures are grown by the State Demography Office population forecast. Actual admissions will vary greatly as a result of demographic, criminological, prosecutorial, judicial, and policy factors, and cannot be estimated with accuracy over this length of time.

This fiscal note assumes that the bill will reduce parole caseload by 360 offenders during FY 2027-28, 750 offenders during FY 2029-30, and 990 offenders during FY 2036-37. These caseload impact estimates are reflected in Table 2.

**Computer programming.** In FY 2018-19, this bill requires minor changes in DOC computer systems that are maintained by OIT. Changes to computer programs will require less than 100 hours of staff time and can be accomplished within existing appropriations.

## Effective Date

The bill was signed into law by the Governor and took effect on April 23, 2018.

## State and Local Government Contacts

Corrections

Information Technology

Public Safety