



**Colorado
Legislative
Council
Staff**

Bill 12

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 18-0308
Prime Sponsor(s):

Date: October 27, 2017
Bill Status: Sentencing in the Criminal Justice System Interim Study Committee Bill Request

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BILL TOPIC: LOWERING MANDATORY PAROLE FROM 5 YEARS TO 3 YEARS

Fiscal Impact Summary	FY 2018-2019	FY 2019-2020	FY 2028-2029
State Revenue			
State Expenditures General Fund	Minimal workload increase.		(\$2.0 million) (2.0 million)
Appropriation Required: None.			
Future Year Impacts: Ongoing state expenditure decrease.			

Summary of Legislation

Requested by the Sentencing in the Criminal Justice System Interim Study Committee, this bill proposes reducing mandatory parole periods to three years for offenders sentenced for class 2 or class 3 felony crimes committed on and after July 1, 2018. 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 will generate 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 June 2028. Table 1 presents the bill's impact on state General Fund expenditures for the Department of Corrections (DOC) in FY 2028-29, the first year for which the bill has an impact in all twelve months; FY 2030-31, the first full year impact for class 3 felony crimes; and FY 2038-39, the first full year impact for both class 2 and class 3 felony crimes.

	FY 2028-29	FY 2030-31	FY 2038-39
Change in Average Daily Parole Caseload	(300 offenders)	(700 offenders)	(935 offenders)
Assumed Parole Cost Per Day	\$18.31	\$19.57	\$25.58
Impact on Parole Costs - General Fund	(\$2.0 million)	(\$5.0 million)	(\$8.7 million)

Assumptions. The amounts in Table 1 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, 8.4 percent will have a controlling sentence for a class 3 felony and 1.9 percent will have controlling sentence for a class 2 felony.
- Offenders sentenced for a class 3 felony will serve 87 months in prison and offenders sentenced for a class 2 felony will serve 187 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 43 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 Bill 12, 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 3 felony will remain on parole for 26 months and offenders sentenced to a class 2 felony will remain on parole for 25 months.
- Beginning from \$12.67 in FY 2017-18, 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. 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 2026 after 87 months of incarceration. Under current law, these offenders would be discharged from parole supervision after 43 months in November 2029. Under Bill 12, these offenders would be discharged from parole supervision after 26 months in June 2028. Thus, the bill reduces parole caseload relative to current law beginning in June 2028, and its impact on parole caseload for class 3 felony offenders is fully phased in beginning in November 2029.

Offenders who are sentenced for a class 2 felony committed in July 2018 will be released on parole in August 2034 after 187 months of incarceration. Under current law, these offenders would be discharged after 41 months in January 2038. Under Bill 12, these offenders would be discharged after 25 months in September 2036. Thus, the bill reduces parole caseload for class 2 felony offenders beginning in September 2036, and the impact on parole caseload is fully phased in beginning in January 2038.

Timing assumptions for the first affected cohort, comprising offenders sentenced for crimes committed in July 2018, are shown in Table 2. The bill's first full fiscal impact will occur in FY 2038-39 when the impacts for both crime classifications fully manifest.

Table 2. Predicted Release and Discharge Under Current Law and Bill 12					
	Offense	Sentenced	Paroled	Discharged	Discharged
Class 3 Felony	July 2018	January 2019	April 2026	Nov. 2029	June 2028
Class 2 Felony	July 2018	January 2019	August 2034	January 2038	Sept. 2036

Affected population. The December 2016 Legislative Council Staff forecast anticipates that 9,052 offenders will be admitted to prison during FY 2018-19. It is assumed that approximately 105 offenders will be admitted as a result of a class 2 felony sentence and 475 offenders will be admitted as a result of a class 3 felony sentence. For fiscal years beyond FY 2018-19, 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 300 offenders during FY 2028-29, 700 offenders during FY 2030-31, and 935 offenders during FY 2038-39. These caseload impact estimates are reflected in Table 1.

Computer programming. In FY 2018-19, this bill will require 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 takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Corrections

Information Technology

Public Safety