

**STATE
FISCAL IMPACT**

Drafting Number: LLS 10-0961 **Date:** April 9, 2010
Prime Sponsor(s): Rep. Ferrandino **Bill Status:** House Judiciary
 Sen. Penry **Fiscal Analyst:** Jessika Shipley (303-866-3528)

TITLE: CONCERNING PAROLE.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures		
General Fund	(\$114,127)	(\$70,262)
FTE Position Change	8.6 FTE	8.6 FTE
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2010-2011: See State Appropriations section.		
Local Government Impact: None		

Summary of Legislation

This bill directs the Sex Offender Management Board (in consultation with the Department of Corrections (DOC), the Judicial Branch, the Division of Criminal Justice (DCJ) in the Department of Public Safety, and the State Board of Parole) to develop specific sex offender release guidelines for use by the State Board of Parole in determining when to release a sex offender on parole. The DCJ and the parole board are directed to develop an administrative release guideline for use by the board in evaluating all applications for parole. The guidelines are to include release recommendations for each risk category of offender. The DOC and the parole board are directed to develop administrative revocation guidelines for use by the board in making decisions about parole revocation. Training will be provided on the use of the administrative release and administrative revocation guidelines.

The bill also repeals the statutory provision that requires a parole officer to arrest a parolee if he or she does not have lawful permission to be in a particular place (e.g., a county other than the one to which the individual was paroled).

Up to 12 days of earned time each month may be deducted from an offender's sentence provided he or she:

- is serving a sentence for a class 4, class 5, or class 6 felony;
- has not incurred a class I code of penal discipline violation within the 24 months immediately preceding the time of crediting or during his or her entire period of incarceration if such period is less than 24 months;

- has not incurred a class II code of penal discipline violation within the 12 months immediately preceding the time of crediting or during his or her entire period of incarceration if such period is less than 12 months;
- is program compliant; and
- was not convicted of certain specified felony offenses (four new offenses have been added to the existing list of disqualifying crimes).

The current parole guideline statute is repealed and reenacted with changes. A statement of legislative intent is added. The DCJ is required to develop a risk assessment scale for use by the parole board that includes criteria shown to be good predictors of the risk of recidivism. The DCJ, the DOC, and the parole board are required to develop parole board action forms that provide the rationale for decisions made by the board. The parole board is required to use the risk assessment scale and the administrative guidelines, and to consider a new set of factors when making decision about parole releases. The board is also required to use the administrative revocation guidelines and consider a new set of factors when making decisions about parole revocations.

State Expenditures

The bill will result in a net General Fund savings of \$114,127 in FY 2010-11 and \$70,262 in FY 2011-12. Also, an additional 8.6 FTE will be required in FY 2010-11 and each year thereafter. Information about the various costs and savings associated with the bill are found in the following sections.

***Department of Corrections (DOC).* The DOC will realize a net General Fund savings of \$194,281 in FY 2010-11 and \$145,467 in FY 2011-12. In addition, the department will require 7.9 FTE in FY 2010-11 and each year thereafter.** The DOC is required to assist in the development of several new sets of parole guidelines and an evaluation tool to capture the rationale for parole board decisions. Additionally, the department will be required to collect, report, and analyze data. These tasks will require an additional 1.9 FTE. Additionally, new case managers (2.0 FTE) are required to gather data for use by the parole board in making release and revocation decisions pursuant to the new guidelines, as well as new parole officers (4.0 FTE) to handle the offenders who will release to parole earlier. It is expected that the new case managers and parole officers will begin work January 1, 2011. Table 1 provides information about the costs to the department associated with the bill.

Table 1. Expenditures for the DOC Under HB 10-1374		
Cost Components	FY 2010-11	FY 2011-12
Personal Services	\$248,906	\$407,988
FTE	7.9	7.9
Operating Expenses	\$2,755	\$3,705
Parole Officer Operating Expenses	\$5,400	\$10,800
Capital Outlay	\$18,213	\$0
Parole Officer Startup Costs	\$64,472	\$0
Vehicles and Mileage	\$14,040	\$36,144
TOTAL	\$353,786	\$458,637

The modification of earned time impacts the DOC through a decrease in prison bed days. The bill changes circumstances under which an offender may earn up to 12 days each month. More earned time results in early releases from prison, which, in turn, results in decreased prison operating costs.

Five-Year Fiscal Impact on Correctional Facilities

Sections 17-1-102, 104.9. and 105.5, C.R.S., authorize the department to permanently place inmates classified as medium custody and below in private contract prisons. Inmates classified higher than medium custody cannot be placed in private contract prisons, except under "correctional emergency" conditions. *The fiscal note assumes that the new inmates identified in this bill will be allocated between state correctional facilities and private contract prisons according to historical patterns.*

Operating costs for state correctional facilities are \$88.60 per bed per day or \$32,339 per bed per year. The state pays a rate of \$52.69 per bed per day for inmates placed in private prisons. The total cost to the department is therefore \$19,232 per private prison bed per year. The fiscal note assumes that 30 percent of the parolees affected by the bill will be in state correctional facilities, with the remaining in private prisons. The operating costs in Table 2 have been prorated accordingly.

Table 2. Five-Year Fiscal Impact On Correctional Facilities		
Fiscal Year	Bed Days	Total Operating Cost
FY 2010-11	(8,636)	(\$548,067)
FY 2011-12	(9,519)	(\$604,104)
FY 2012-13	(9,519)	(\$604,104)
FY 2013-14	(9,519)	(\$604,104)
FY 2014-15	(9,519)	(\$604,104)
Total		(\$2,964,483)

Department of Public Safety (DPS). The DPS will incur General Fund expenditures of **\$80,154 and 0.7 FTE in FY 2010-11 and \$75,205 and 0.7 FTE each year thereafter.** New staff in the DCJ will be assigned to statutory parole guideline duties. Specifically, staff will be required to work with DOC staff to collect and analyze data on an ongoing basis. The DCJ currently has 0.1 FTE assigned at the General Professional III level to handle parole guideline responsibilities. The bill requires a Statistical Analyst III to coordinate more complicated duties. As such, the department requires a reduction of 0.1 FTE and an addition of 0.8 FTE, resulting in a net increase of 0.7 FTE.

Additionally, an actuarial consultant will be hired to assist in the development and validation of an actuarial risk assessment scale. Consultant fees will also be paid to an institutional review board to ensure the protection of human subjects being studied. Table 3 provides information about the costs associated with the bill.

Table 3. Expenditures for the DPS Under HB 10-1374		
Cost Components	FY 2010-11	FY 2011-12
Personal Services	\$43,925	\$49,016
FTE	0.7	0.7
Operating Expenses and Capital Outlay	\$10,925	\$885
Travel	\$3,304	\$3,304
Consultant Fees	\$22,000	\$22,000
TOTAL	\$80,154	\$75,205

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 4.

Table 4. Expenditures Not Included Under HB 10-1374*		
Cost Components	FY 2010-11	FY 2011-12
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$61,060	\$61,060
Supplemental Employee Retirement Payments	11,139	20,680
TOTAL	\$72,199	\$81,740

*More information is available at: <http://www.colorado.gov/cs/Satellite/CGA-LegislativeCouncil/CLC/1200536133924>

State Appropriations

For FY 2010-11, the DOC requires an appropriation that reduces the General Fund by \$194,281, plus the other five-year savings detailed in Table 2 on page 3. In addition, the DOC requires a General Fund appropriation of 7.9 FTE.

The DPS requires a General Fund appropriation of \$80,154 and 0.7 FTE.

Departments Contacted

Corrections

Public Safety