

Fiscal Estimate Narratives

DOC 3/20/01

LRB Number 01-1829/3	Introduction Number AB-197	Estimate Type Original
Subject Payment of costs of persons in jails		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Department of Corrections (DOC) is required to make payments at the rate of \$40 per person per day for the maintenance of persons in DOC custody who are placed in a county or tribal facility pending disposition of parole, extended supervision, or revocation proceedings. The DOC payments are limited to paying for a person whose confinement is solely because of conduct that violates the offender's supervision and that does not otherwise constitute a criminal offense.

This bill increases the amount that DOC must pay to \$60 per person per day beginning on January 1, 2002, removes the requirement that DOC prorate the payments if the funding is insufficient, requires DOC to adjust the \$60 amount annually to reflect changes in the consumer price index and requires DOC to fund health care costs associated with DOC holds. The bill also requires DOC to pay for a hold for an individual who has a pending criminal charge if DOC places a hold on the offender because he or she has violated a condition of supervision and a judge has ordered the offender released on a signature or cash bond of not more than \$500.

Increasing from \$40 to \$60 per day

In FY01 DOC allocated \$4,018,900 to counties to fund FY00 holds. If the rate had been \$60 per day and DOC was not allowed to prorate payments, the amount required would have been \$6,466,500. This is a difference of \$2,447,600. Future payments would be greater because the number of hold days will most likely increase and the \$60 would be indexed to inflation in the future.

Health Care

In FY00, there were 107,775 hold bed days statewide. It is estimated that medical costs for hold beds are \$6.66 per hold bed day based on the Department's experience. Based on this rate, reimbursing counties for medical costs associated with hold beds would have cost an additional \$717,800 in FY00 (107,775*\$6.66). This figure could increase significantly in future years as health care costs continue to increase.

New Criminal Charges

On February 22, 2001, there were 983 individuals in county jails for felony holds due to new criminal charges. It is estimated that the maximum it would cost DOC to fund this type of felony hold is \$21,527,700 annually (983 holds*365 days*\$60). It should be noted that this assumes that all of the holds due to new criminal charges meet the criteria stated in the bill and the number of holds on February 22, 2001 is indicative of an average day of holds. If health care costs are included it would add another \$2,389,600 (983 holds*365 days*\$6.66) to the estimate.

Total Costs
\$27,082,700

Long-Range Fiscal Implications

Long-term costs could be significantly higher because the bill indexes the hold rate paid counties based on inflation and because health care costs will continue to increase.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Payment of costs of persons in jails			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance	27,082,700		
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$27,082,700		\$
B. State Costs by Source of Funds			
GPR	27,082,700		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$27,082,700		\$
NET CHANGE IN REVENUE	\$		\$27,082,700
Agency/Prepared By		Authorized Signature	
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		Date	
		3/20/01	