

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 415
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: JULY 31, 2020

SUMMARY

Synopsis: Requires Division of Parole to offer parole services to certain defendants who have served their maximum sentence.

Type of Impact: Annual State expenditure increase; potential annual State cost savings

Agencies Affected: State Parole Board, Department of Corrections.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost Increase		Indeterminate	
Potential State Cost Decreases		Indeterminate	

- The Office of Legislative Services (OLS) estimates that this bill will increase annual State expenditures by an indeterminate, potentially significant, amount by offering the same post-release services to defendants who have served the maximum term of incarceration that are provided to defendants who are released on parole. Costs will vary based on the number of defendants that request and receive the services.
- Any costs of post-release services provided could potentially be offset by savings if the availability and receipt of those services reduces the rate of recidivism and re-incarceration of individuals who served their full sentences. Given a significant number of individuals newly eligible for post-release services, a significant reduction in the rate of re-incarceration among those eligible individuals could result in net savings over time.
- The bill requires the State Parole Board (SPB) to include in its annual report the number of defendants who request post-release services pursuant to the provisions of this bill, a summary of the particular assistance received, and the recidivism rates of these defendants. Data collection and analysis may result in nominal cost increases to the SPB.

BILL DESCRIPTION

This bill requires the Division of Parole to offer the same post-release services to defendants who have served the maximum term of incarceration that are provided to defendants who are

released on parole, such as access to residential community release programs, drug treatment programs, residential programs, community resource centers, emergency housing placement, and other basic support services. Under the bill, these services are to be provided upon the request of the defendant. The bill directs the Commissioner of Corrections to advise these defendants of the availability of these services and to provide the defendant with the appropriate contact information.

The bill also requires the SPB to include in its annual report the number of defendants who request post-release services pursuant to the provisions of this bill, a summary of the particular assistance received, and the recidivism rates of these defendants.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that this bill will increase annual State expenditures by an indeterminate, potentially significant, amount by offering the same post-release services to defendants who have served the maximum term of incarceration that are provided to defendants who are released on parole. Costs will vary based on the number of defendants that request and receive the services. Over time, the bill may result in a reduction in State expenditures to the extent that receipt of post-release services reduces the rate of recidivism and re-incarceration. Whether this occurs is dependent on the impact of parole services on persons newly eligible for those services under the bill, and their tendencies to re-offend and be re-incarcerated. The OLS adds that not all of the individuals released at the conclusion of their custodial sentence without SPB supervision may choose to take advantage of the services offered under the bill. The number of inmates who would request the services of the SPB upon release cannot be reliably predicted due to lack of information.

In a 2018 fiscal analysis, the SPB indicated that in calendar year 2017, a total of 5,182 inmates were released from Department of Corrections (DOC) facilities upon the expiration of the custodial portion of their State prison sentences, of which 3,700 inmates were released without SPB supervision. Based on the 2018 SPB analysis, at an average cost of about \$5,000 per placement, the first-year cost of providing services to 3,700 participants would have totaled \$18.5 million. Assuming that post-release services would be offered over three years, SPB data indicated that second-year costs would total \$37 million for 7,400 participants, and \$55.5 million in the third and subsequent years for 11,100 participants. An additional \$227,925 would be required for staff to oversee the program, the SPB indicated.

According to data available on the DOC website, in 2019 calendar year, 4,491 inmates were discharged after serving their maximum sentence. Assuming no change in placement cost of \$5,000 per inmate and assuming all 4,491 inmates would request SPB supervision, the costs for 2019 would total approximately \$22.4 million for the first year.

According to information obtained from the DOC, the average annual per capita cost to house an inmate in a State prison facility during FY 2019 totaled \$50,191. However, this total savings would not be realized from a lower recidivism rate unless the population declined by a number large enough for the DOC to lower bed space capacity and reduce its fixed costs. It is not known

if this reduction in fixed costs will occur as a result of this program. Otherwise, savings to be generated by a smaller number of inmates not returning to State prison and not allowing for a reduction in bed spaces would total \$8.60 per day or \$3,139 annually per inmate in marginal costs, for food, wages and clothing.

Section: Judiciary

Analyst: Anuja Pande Joshi
Assistant Research Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).