

[Corrected Copy]

FISCAL NOTE TO
ASSEMBLY, No. 2291

STATE OF NEW JERSEY

DATED: MARCH 18, 1997

Assembly Bill No. 2291 of 1996 requires inmates sentenced for first and second degree offenses resulting in injury or death to serve a minimum of 85 percent of their court-ordered term of incarceration regardless of the number of commutation credits, work credits, or minimum custody credits earned. The bill provides that the Attorney General prepare a listing of crimes deemed violent for the purposes of this act. Flagrant misconduct during imprisonment would result in the loss of credits and cause the inmate to serve an even greater percentage of the term. The bill would authorize the Parole Board to make exceptions for offenders who are at least 65 years old who have served a minimum of five years, or those who are 60 years old who have served a minimum of 10 years, and who have been determined to have a medical condition that precludes them from posing a threat to the public. The bill would take effect on January 1, 1998 in order to provide sufficient time for the construction of additional prison bed spaces necessary to accommodate the anticipated increase in prison population.

The Department of Corrections (DOC) states that because the current available data bases do not capture victim injury or death relative to the coded offense, and because the Attorney General has not yet designated which crimes would be considered violent, and subject to the provisions of the bill, it cannot accurately estimate the bill's cost.

The Office of Legislative Services notes that while this bill is more restrictive than similar bills, its costs can be approximated on the basis of these bills. For example, in a fiscal note concerning 85 percent parole for all first and second degree crimes involving violence, but not injury or death, the department has stated that based on its admissions and length of stay data, enactment would result in the need to house a minimum of 5,800 more inmates than would be expected under the current statutes and provisions. Impact would begin to accrue in the second year after enactment, and full impact of this bill would be achieved after year 18.

According to the DOC the average cost of housing an inmate in a State institution is currently \$26,000 per year. The one-time cost of building additional bed space is about \$95,000 per inmate. The department notes that its estimate for maximum security bed spaces

has increased from \$80,000 cited in previous fiscal notes, to \$95,000 to reflect current construction costs.

For a bill requiring inmates convicted of first and second degree violent offenses, not necessarily resulting in injury or death, the State would incur additional ongoing operating costs of \$4 million and one-time capital expenses of \$14.7 million during the second year, \$19.6 million in additional ongoing operating and \$71.6 million in one-time capital expenses during the third year, and \$23.5 million in additional ongoing operating and \$85.8 million in one-time capital expenses during the fourth year of implementation. By year 18, the year in which additional costs should stabilize, the State would have incurred additional operating costs of \$151 million per year and one-time capital costs of \$551 million to provide the necessary prison beds. Below is a chart illustrating the incremental and total costs of implementing the bill by year.

PROJECTED INCREASE IN COSTS

Year	Additional Inmates	Capital Costs Per New Bed @\$95,000	Annual Add Per Capita Operating Costs @\$26,000	Total Add Per Capita Operating Costs
1	0	\$ 0	\$ 0	\$ 0
2	155	14,725,000	4,030,000	4,030,000
3	754	71,630,000	19,604,000	23,634,000
4	903	85,785,000	23,478,000	47,112,000
5	661	62,795,000	17,186,000	70,096,000
6	664	63,080,000	17,264,000	81,562,000
7	552	52,440,000	14,352,000	95,914,000
8	433	41,135,000	11,258,000	107,172,000
9	344	32,680,000	8,944,000	116,116,000
10	211	20,045,000	5,486,000	121,602,000
11	234	22,230,000	6,084,000	127,686,000
12	234	22,230,000	6,084,000	133,770,000
13	188	17,860,000	4,888,000	138,658,000
14	158	15,010,000	4,108,000	142,766,000
15	130	12,350,000	3,380,000	146,146,000
16	112	10,640,000	2,912,000	149,058,000
17	67	6,365,000	1,742,000	150,800,000
18	0	0	0	150,800,000
TOTAL	5,800	\$551,000,000		\$150,800,000

The DOC states that ultimately the bill would yield a reduction in the number of offenders assigned to parole supervision caseloads. The timing of this anticipated reduction of caseload and how it would affect the additional institutional operating costs cannot be currently determined. However, assuming that the current parole requirements remain as they are, the savings in parole supervision would be about \$1,250 per inmate per year, thus reducing the total annual operating

costs of the bill by \$7.25 million, to \$143,550,000.

The OLS notes that because it is not known if the Attorney General will designate all first and second degree crimes as violent under the terms of this bill, the potential exists for the costs of the bill to be lower than those stated above. Further, since the DOC was not able to quantify any deterrent effect of the increased sentence to potential offenders, nor did it take into account the recidivists who would not re-offend because they would continue to be incarcerated for their first offense, the cost of the bill could be lower than that estimated.

The DOC also states that while the State could be eligible for partial reimbursement of capital expenditures based in the provisions of the federal Violent Crimes Control and Enforcement Act of 1994, it is not known what percentage of the total amount would be offset by federal funds.

This fiscal note has been prepared pursuant to P.L.1980, c.67.