

FISCAL NOTE TO
[First Reprint]
SENATE, No. 338

STATE OF NEW JERSEY

DATED: MARCH 7, 1997

Senate Bill No. 338 (1R) of 1996 would provide that an inmate would be eligible for parole after serving 85 percent of the sentence imposed if convicted of a crime of the first or second degree involving violence. In all other cases, inmates would be eligible for parole after serving one-half of the sentence imposed. The bill would also amend several sections of Title 2C which mandate minimum terms of imprisonment without eligibility for parole for certain offenses.

The Department of Corrections states that enactment of the bill would increase the length-of-stay for adult commitments. This, in turn, would increase the number of inmates to be housed, and create a need for additional bed spaces.

Currently, inmates committed for violent crimes serve about 42-50 percent of total term, while those committed for non-violent crimes serve approximately 39 percent of total term prior to parole release. Based on its admissions and length of stay data, the department estimates that the bill would result in the need to house a minimum of 8,600 more inmates than would be expected under the current statutes and provisions. Of these, 5,800 would be violent offenders and 2,800 would be non-violent offenders. Impact would begin to accrue in the second year after enactment and full impact of this bill would be achieved after year 17.

According to the department, the average cost of housing an inmate in a State institution is currently \$26,000 per year. The one-time cost of building additional maximum security bed space for violent offenders is about \$95,000 per inmate; for medium security non-violent offenders bed spaces, the one-time cost is about \$50,000 per bed space. 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.

Under the proposed bill, the State would incur additional ongoing operating costs of \$3.7 million during the second year, increasing to \$43.5 million during the third year, and \$95.1 million during the fourth year of implementation. One-time capital expenditures would total \$7.1 million during the second year, \$90 million during the third year, and \$131.6 million during the fourth year of implementation. By year 17, the year in which additional costs should stabilize, the State would have incurred additional operating costs of \$224 million per year and one-time capital costs of \$691 million to provide the necessary prison

beds. Below are two charts illustrating the incremental and total costs of implementing the bill by year.

VIOLENT OFFENDERS

Year	Additional Violent 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	0	0	0	0
3	300	28,500,000	7,800,000	7,800,000
4	716	68,020,000	18,616,000	26,416,000
5	878	83,410,000	22,828,000	49,244,000
6	477	45,315,000	12,402,000	61,646,000
7	690	65,550,000	17,940,000	79,586,000
8	582	55,290,000	15,132,000	94,718,000
9	433	41,315,000	11,258,000	105,976,000
10	465	44,175,000	12,090,000	118,066,000
11	212	20,140,000	5,512,000	123,578,000
12	234	22,230,000	6,084,000	129,662,000
13	234	22,230,000	6,084,000	135,746,000
14	167	15,865,000	4,342,000	140,088,000
15	177	16,815,000	4,602,000	144,690,000
16	130	12,350,000	3,380,000	148,070,000
17	105	9,975,000	2,730,000	150,800,000
Total Violent Offenders		5,800	\$551,000,000	\$150,800,000

NON-VIOLENT OFFENDERS

Year	Additional Non-Violent Inmates	Capital Costs Per New Bed @\$50,000	Annual Add Per Capita Operating Costs @\$26,000	Total Add Per Capita Operating Costs
1	0	\$ 0	\$ 0	\$ 0
2	142	7,100,000	3,692,000	3,692,000
3	1,230	61,500,000	31,980,000	35,672,000
4	1,271	63,550,000	33,046,000	68,718,000
5	144	7,200,000	3,744,000	72,462,000
6	5	250,000	130,000	72,592,000
7	0	0	0	72,592,000
8	0	0	0	72,592,000
9	0	0	0	72,592,000
10	0	0	0	72,592,000
11	4	200,000	104,000	72,696,000
12	4	200,000	104,000	72,800,000
13	0	0	0	72,800,000
14	0	0	0	72,800,000
15	0	0	0	72,800,000
16	0	0	0	72,800,000
17	0	0	0	72,800,000
Total Non-Violent Offenders		2,800	\$140,000,000	\$72,800,000
TOTAL ALL OFFENDERS		8,600	\$691,000,000	\$223,600,000

In fiscal notes to similar bills, the department also stated 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 operating costs of the bill by \$10.75 million, to \$212,850,000.

The department further states that while it 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.

The Office of Legislative Services adds that the department 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. To the extent the enactment of the bill would have a deterrent effect or would reduce recidivism, the cost of the bill might be lower than that estimated.

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