

FISCAL NOTE TO

[First Reprint]
SENATE, No. 855

STATE OF NEW JERSEY

DATED: OCTOBER 15, 1996

Senate Bill No. 855 (1R) of 1996, the "No Early Release Act" supplements the "Parole Act of 1979". The bill requires that any person convicted of committing a first or second degree crime involving violence serve a minimum of 85 percent of the court-ordered term of incarceration, regardless of the number of commutation credits, work credits, or minimum custody credits earned. The bill would take effect immediately and would be applicable to all inmates who are currently incarcerated.

The Department of Corrections (DOC) states that the original (unamended) version of the bill, which addresses those offenders convicted after the enactment date, would substantially increase the length of stay for the affected inmates, resulting in a significant increase in the adult inmate population. Based on its admissions and length of stay data, the department estimates that the original version of the bill 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 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 bed space is about \$80,000 per inmate. Under the proposed bill, the State would incur additional ongoing operating costs of \$4 million and one-time capital expenses of \$12.4 million during the first year, \$19.6 million in additional ongoing operating and \$60 million in one-time capital expenses during the second year, and \$23 million in additional ongoing operating and \$72 million in one-time capital expenses during the third year of implementation. By year 2013, 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 \$464 million to provide the necessary prison beds. Below is a chart illustrating the incremental and total costs of implementing the bill by year.

**SENATE BILL NO. 855
PROJECTED INCREASE IN COSTS**

Year	Additional Inmates	Capital Costs Per New Bed @\$80,000	Annual Addl Per Capita Operating Costs @ \$26,000	Total Addl Per Capita Operating Costs
1	0	\$0	\$0	\$0
2	155	\$12,400,000	\$4,030,000	\$4,030,000
3	754	\$60,320,000	\$19,604,000	\$23,634,000
4	903	\$72,240,000	\$23,478,000	\$47,112,000
5	661	\$52,880,000	\$17,186,000	\$64,298,000
6	664	\$53,120,000	\$17,264,000	\$81,562,000
7	552	\$44,160,000	\$14,352,000	\$95,914,000
8	433	\$34,640,000	\$11,258,000	\$107,172,000
9	344	\$27,520,000	\$8,944,000	\$116,116,000
10	211	\$16,880,000	\$5,486,000	\$121,602,000
11	234	\$18,720,000	\$6,084,000	\$127,686,000
12	234	\$18,720,000	\$6,084,000	\$133,770,000
13	188	\$15,040,000	\$4,888,000	\$138,658,000
14	158	\$12,640,000	\$4,108,000	\$142,766,000
15	130	\$10,400,000	\$3,380,000	\$146,146,000
16	112	\$8,960,000	\$2,912,000	\$149,058,000
17	67	\$5,360,000	\$1,742,000	\$150,800,000
18	0	\$0	\$0	\$150,800,000
TOTAL	5,800	\$464,000,000		\$150,800,000

The Department of Corrections also 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 operating costs of the bill by \$7.25 million, to \$143,550,000.

The department further states that while the department 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 under the amended version of S855, inmates who are presently incarcerated would also be affected by the bill's provisions. As a result, the costs would be higher than those estimated by the department for the unamended bill and would occur sooner.

The OLS also notes that the Department of Corrections 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.