FISCAL NOTE

Requested by Legislative Council
02/14/2001

Bill/Resolution No.:

Amendment to: HB 1367

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			$337,500		$787,500	
Appropriations			$337,500		$787,500	

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$0	$0	$0	$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Engrossed HB No. 1367 would apply the 85% truth-in-sentencing statute to most drug offenses now covered under the mandatory-minimum sentences for drug offenders. It also increases penalties for aggravating factors in drug offenses. The fiscal impact of Section 1 of this bill would be great. For purposes of analysis, of the drug offender inmate population released in year 2000, approximately 39% of inmates were released prior to their good time release date (which co-relates with the date that 85% truth-in-sentencing inmates are eligible for release). These offenders were released on the average 225 days prior to their good time release date. Based upon this data, if the 85% truth-in-sentencing was applied to the drug offenders sentenced in year 2000 under the mandatory minimum statute, the additional cost to house 39% of these inmates (18 inmates) each an average of 225 additional days during a biennium would be $112,500 each year (18 inmates x 125 days per year x $50 per day). Assuming that a similar number of drug offenders would be sentenced each year under the mandatory-minimum statute, the cost for the 2001-2003 biennium would be approximately $337,500 ($112,500 for the first year and $225,000 the second year). The cost for the 2003-2005 biennium would be $787,500 ($337,500 the first year and $450,000 the second year). Since the average drug sentence for the mandatory-minimum sentenced drug offenders is 64 months, if the number of incoming drug offenders remains constant, the cost of this measure would level out at $562,500 each year beginning the fifth year after adoption of this section of Engrossed HB 1367.

The necessary data is not available for the Department of Corrections to calculate the fiscal impact under Section 2 of the bill. We must assume however that the cost would be significant since it appears that the length of mandatory-minimum sentence would be increased for most drug offenders sentenced under this proposal.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

None.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Please refer to the narrative above.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Please refer to the narrative above.

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