

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3503 - A**Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office**Only Impacts on Original or Engrossed
Versions are Considered Official**Prepared by: John Terpening
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Date: 6-1-2015**Measure Description:**

Directs Department of Corrections to establish Family Sentencing Alternative Pilot Program in partnership with circuit courts, county community corrections agencies and Department of Human Services.

Government Unit(s) Affected:

Department of Corrections, Department of Human Services (DHS), Judicial Department, Counties, Oregon Criminal Justice Commission

Summary of Expenditure Impact:

Agency – Fund Type	2015-2017 Biennium	2017-2019 Biennium
Department of Corrections – General Fund		
Personal Services Costs	\$1,161,559	\$1,162,035
Prison Cost	(\$237,413)	(\$1,413,938)
Special Payments to Counties	\$105,100	\$419,513
Total Cost	\$1,029,246	\$167,611
Positions / FTE	6 / 4.75	6 / 6.00

Agency – Fund Type	2015-2017 Biennium	2017-2019 Biennium
Department of Human Services – General Fund		
Personal Services	\$55,444	\$86,288
Services and Supplies	\$19,989	\$13,396
Total Cost	\$75,433	\$99,684
Positions / FTE	1 / 0.38	1 / 0.50

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The measure directs the Department of Corrections (DOC) to establish the Family Sentencing Alternative Pilot Program in partnership with circuit courts, county community corrections agencies and the Department of Human Services (DHS). The measure stipulates the terms of eligibility for a defendant to enter the program. If the court sentences a defendant to participate in the pilot program, there is mandatory participation for the first year of the probationary sentence. DHS is directed to submit a report on the program to an interim judiciary committee of the legislature no later than January 1, 2017. The program is repealed July 1, 2025.

The measure includes a blank General Fund appropriation to DOC for purposes of carrying out the measure, including using the appropriated funds for a full-time 1.00 FTE probation officer in each county participating in the program.

The measure includes a blank General Fund appropriation to DHS for purposes of carrying out the measure, including using the appropriated funds for a half-time (0.50 FTE) coordinator position to assist with program implementation.

DOC, in consultation with the Criminal Justice Commission (CJC), assumes five counties may participate in the program: Multnomah, Marion, Lane, Jackson, and Deschutes. The assumed caseload for this program is 15 participants per county, although Multnomah and Marion counties have estimated they can serve 30-35. DOC research indicates that Jackson and Deschutes counties may not have sufficient eligible offenders to meet the full caseload. CJC estimates a total of 75 offenders participating in the program each year.

In addition to funding for five full-time probation officers for the participating counties, DOC anticipates the need for one full-time limited duration Administrative Specialist position to coordinate the program beginning December 1, 2015, with the first participants coming into the program from offenders sentenced after January 1, 2016. Total estimated personal services cost, including services and supplies, to DOC for the six positions (6.00 FTE) are included in the Personal Services Cost line item in the above table.

The pilot program will divert offenders from being housed in a DOC facility at an estimated marginal cost per day of \$23.41, with the offenders instead under county supervision at a cost per day of \$10.72. While the measure makes participation in the program mandatory for one year, CJC notes that the average sentence for these offenders is 21 months. Based on this estimate, DOC anticipates savings of approximately \$237,413 in 2015-17, \$1,413,938 for 17-19, \$2.0 million in 19-21, and \$2.1 million for each of the remaining biennia of the pilot program. The table above shows the savings in prison costs, as well as the costs of supervision of offenders calculated at \$10.72 per day, through special payments to counties.

The Oregon Association of Community Corrections Directors (OACCD) assumes that the specialized caseload requirements and programmatic needs of the offender population in the pilot program would require funding at the High Cost Rate of \$18.73 per day. OACCD notes that if DHS was responsible for housing or other services, the program funding could be reduced to the Medium Cost Rate of \$13.63.

The following table illustrates the difference in DOC's costs of the program with the High and Medium Cost Rates for the duration of the pilot program:

Special Payments to Counties	DOC Rate - \$10.72	Medium Rate - \$13.63	High Rate - \$18.73
2015-17 Biennium	\$105,100	\$134,612	\$186,313
2017-19 Biennium	\$419,513	\$595,274	\$903,188
2019-21 Biennium	\$223,244	\$473,635	\$912,293
2021-23 Biennium	\$35,501	\$298,852	\$760,215
2023-25 Biennium	(\$7,990)	\$255,938	\$718,311
Total	\$775,368	\$1,758,311	\$3,480,320

DHS assumes the appropriation included in the measure will fund a half-time Operations and Policy Analyst 3 position to coordinate the program and report back to the Legislature on its status. The position will start January 1, 2016 with the total cost of the position anticipated to be \$75,433 General Fund in 2015-17 and \$99,684 General Fund in 17-19.

There is a minimal fiscal impact to the Judicial Department as a result of this measure.