



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 1089

PRINTERS NO. 1881

PRIME SPONSOR: Stephens

### COST / (SAVINGS)

FUND	FY 2014/15	FY 2015/16
General Fund	\$0	See "Fiscal Impact" below.

**SUMMARY:** House Bill 1089 amends the Judicial Code concerning the collection of restitution, reparation, fees, costs, fines, and penalties. It would take effect in 60 days.

**ANALYSIS:** This legislation requires the correctional facility to which an offender has been sentenced to make deductions of at least 25% of the offender's wages and 50% of all deposits made to inmate personal accounts for the purpose of collecting restitution, reparation, fees, costs, fines, and penalties. Inmates make between \$0.19 and \$0.50 per hour for work performed while imprisoned.

County prisons, in consultation with the state Department of Corrections (DOC), must develop guidelines for these collections. Those guidelines must also be incorporated into any contract entered into with a contract corrections facility.

**FISCAL IMPACT:** According to the Governor's Budget Office and the Department, the DOC would experience a fiscal impact from this legislation; however, the exact amount is indeterminable. A number of variables will affect the impact of this mandated collection, including the number of inmates who would become indigent and the number of inmates ineligible for parole due to their inability to pay their Victim Compensation Funds (VCF). This could result in an increase of the inmate population and greater costs to the Commonwealth. Cost estimates for inmates housed in a State Correctional Institution (SCI) are generated by using marginal costs of \$16.50 per day for an inmate population increase of 0-299, \$33.00 per day for an inmate population increase of 300-599, \$67.60 per day for an inmate population increase of 600-900, and \$100.70 per day for a population increase of 901 or greater.

According to the Department of Corrections, over the past two years approximately 500 inmates would not have been eligible for parole, because they were unable to pay the VCF. These fees are imposed on most offenders, and are generally \$60 per court case, although many counties have increased that amount to \$100. In these cases, the DOC has paid any remaining VCF fee out of the inmate general welfare fund. Therefore an inmate who cannot

pay is not denied parole and the fee becomes an obligation of the parolee. This reduces the prison population and the accompanying costs of housing the inmates. The Governor's Budget Office and the DOC believe enactment of this legislation could increase the number of fees that must be paid in this manner, but the exact amount is indeterminable.

The DOC is required to provide hygiene products to all inmates with negative account balances. Approximately 21,000 inmates have less than \$10 in their account and an additional 13,000 have between \$10 and \$50. Overall, more than 60% of the inmates have less than \$50 in their accounts. This legislation would lead to a reduction in inmate accounts, shifting costs for these personal hygiene products to the Commonwealth.

Enactment of this legislation could also aid state and county courts in the collection of restitution, reparation, fees, costs, fines, and penalties; however the exact amount of this revenue increase is indeterminable.

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**DATE:** June 24, 2015

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*