
MEMORANDUM

Legislative Fiscal Office
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To: Ken Rocco

From: Julie Neburka and John Terpening

Date: Wednesday, April 5, 2017

Subject: Preliminary fiscal impact on proposed public safety reforms

The Legislative Fiscal Office was tasked to provide a cost savings analysis of potential public safety reforms that were considered by a “Public Safety Workgroup” convened by the Speaker of the House. These potential reforms were presented as a minimum and maximum scenario centered around achieving prison bed savings through 2025. The following are the outlines presented to LFO for the two scenarios:

Minimum Scenario	Maximum Scenario
Expand short-term transitional leave to 120 days	Expand short-term transitional leave to 180 days
Suspend Measure 57 for ID Theft and Theft 1	Suspend Measure 57 in full
Implement statewide SB 416 programs	Implement statewide SB 416 programs
Expand work release programs	Expand work release programs

Note: SB 416A (2011) allowed CJC to provide supplemental funding grants for drug courts and supervision-related services. The program is intended to focus on prison-bound individuals who commit non-violent drug and property crimes.

Note: “*Expand work release programs*” is assumed to reflect the current programs operating in Lane, Marion, and Jackson County.

Department of Corrections - Minimum Scenario

DOC, in working with CJC on prison bed impact projections, anticipates savings of \$19,748,898 General Fund in 2017-19. These savings are based in large part on avoided costs, specifically not having to open the Oregon State Penitentiary - Minimum (OSPM), and not opening additional capacity at the Shutter Creek Correctional Institution (SCCI) as the current forecast provided by the Office of Economic Analysis (OEA) would require. Additionally, these proposed reforms would allow for reduction of the number of existing emergency beds. Currently DOC has reached full capacity for emergency beds at 880 across all facilities. Under this scenario, DOC would first begin reducing emergency beds, at a marginal cost per day of \$23.33. DOC anticipates this scenario would result in eliminating 298 emergency beds by June 2027. Included in the \$19.7 million number is \$1.5 million in additional costs for caseloads that are shifted from DOC to county community corrections. The cost

per day for community corrections is \$11.69 per offender. Under the minimum scenario, the projected savings become \$22.6 million General Fund in 2019-21, \$27.5 million General Fund in 2021-23, \$30.7 million General Fund in 2023-25, and \$34.2 million General Fund in 2025-27.

Minimum Scenario	
Do not open OSPM	(17,464,212)
No additional beds at SCCI	(3,226,591)
Close existing emergency beds	(576,578)
Caseload increase to Comm Corrections	1,518,483
Cost implications 2017-19	(19,748,898)

Department of Corrections - Maximum Scenario

DOC, in working with CJC on prison bed impact projections, anticipates savings of \$20,463,706 General Fund in 2017-19. These savings are based in large part on avoided costs, specifically not having to open OSPM or SCCI correctional facilities as the current forecast provided by OEA would require. Additionally, these proposed reforms would allow for reduction of the number of existing emergency beds. Currently DOC has reached full capacity for emergency beds at 880 across all facilities. Under this scenario, DOC would first begin reducing emergency beds, at a marginal cost per day of \$23.33. DOC anticipates this scenario would result in eliminating 830 emergency beds by June 2027. Included in the \$20.4 million number for 2017-19 is \$3.2 million in additional costs for caseloads that are shifted from DOC to county community corrections. The cost per day for community corrections is \$11.69 per offender. Under the maximum scenario, the projected savings become \$27.7 million General Fund in 2019-21, \$35.9 million General Fund in 2021-23, \$40.1 million General Fund in 2023-25, and \$43.9 million General Fund in 2025-27.

Maximum Scenario	
Do not open OSPM	(17,464,212)
No additional beds at SCCI	(3,226,591)
Close existing emergency beds	(3,025,204)
Caseload increase to Comm Corrections	3,252,301
Cost implications 2017-19	(20,463,706)

Judicial Department

OJD anticipates that suspension of Measure 57 would reduce potential penalties and thereby may affect the number of defendants who choose to go to trial or enter a plea bargain. OJD assumes that implementation of SB 416A (2011) would allow for additional or expanded drug court programs. OJD notes that drug court cases require more court time and resources than the traditional criminal case process. However, OJD is unable to predict the impact on courts as a result of these reforms at this time.

Department of Justice

DOJ does not anticipate a fiscal impact from either scenario, unless suspension of Measure 57 is made retroactive and/or if there were appeals rights from the transitional leave decisions. Either scenario could have significant fiscal impacts on the Appellate Division.

Public Defense Services Commission

PDSC does not anticipate a fiscal impact from any of the public safety reforms noted above.