



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0112 - Generally revise human trafficking laws (Etchart, Jodee)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund - DoC	\$140,255	\$565,624	\$846,203	\$1,126,782
General Fund - OPD	\$3,692	\$3,692	\$3,747	\$3,804
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$143,947)</u>	<u>(\$569,316)</u>	<u>(\$849,950)</u>	<u>(\$1,130,586)</u>

Description of fiscal impact: HB 112 amend 45-5-601, 45-5-702, 45-5-705, and 45-5-706, MCA, pertaining to human trafficking laws. This bill increases terms of incarceration and fines. The Department of Corrections (DoC) assumes that these changes in legislation will result in an additional nine commitments to the department. DoC assumes that each year seven individuals will be placed in secure care due to mandatory minimum sentences and the remaining two individuals will be placed in community corrections.

FISCAL ANALYSIS

Assumptions:**Department of Corrections**

- For purposes of this fiscal note, the department assumes that the addition of mandatory minimum imprisonment will result in an increase to offenders under Department of Corrections (DoC) supervision by an amount that is equivalent to 7 offenders per fiscal year. This equates to an increase of 28 offenders in secure care over the next two biennia.

2. The department assumes that those offenders will serve an average prison sentence of 13 years. This average is based on the minimum sentence allowed in legislation. The department assumes that those sentences will begin 6 months after the start of the fiscal year, on January 1, 2024.
3. For purposes of this fiscal note, the department assumes that changes in mandatory minimum sentences and lifetime supervision will result in an increase of offenders under DoC supervision in the community by an amount that is equivalent to 2 offenders per fiscal year. This equates to an increase of 8 offenders on supervision over the next two biennia.
4. The department assumes that those offenders will be under supervision for an average of 24 years. This average is based on the maximum sentence allowed in the legislation. The department assumes that those sentences will begin 6 months after the start of the fiscal year, on January 1, 2024.
5. The average daily cost of secure care facilities in Montana is \$109.74, or \$40,055 per year.
6. The incremental cost of an additional probation and parole placement is estimated at \$62 per offender per year. This covers the cost of mileage for home visits and urinalysis test kits.
7. The average caseload of a probation & parole officer is approximately 62 offenders. Given the assumptions above, the department anticipates 4 new offenders under probation and parole supervision in FY 2025, which would result in the need for 0.10 FTE (62 offenders = 1 officer, $4/62 = 0.10$ FTE required). The department anticipates 6 new offenders under probation and parole supervision in FY 2026, which would result in the need for 0.10 FTE (62 offenders = 1 officer, $6/62 = 0.10$ FTE required). The department anticipates 8 new offenders in FY 2027, which would result in the need for 0.10 FTE (62 offenders = 1 officer, $8/62 = 0.10$ FTE required).
8. The department assumes a 1.5% inflationary multiplier in FY 2026 and FY 2027.

Office of Public Defender (OPD)

9. OPD assumes that changes in fines will have no impact. However, changes in sentencing may increase the number of jury trials due to 100-year penalty. There is not representative data available for this type of change.
10. OPD assumes a case weight increase from misdemeanor to felony of 13 hours per case.
11. OPD assumes 4 new felonies per year for OPD clients under this change.
12. Contractor Attorney rates of \$71 per hour are assumed based upon FTE caseloads being at capacity.
13. Therefore, OPD assumes a total cost of 13 hours x 4 cases per year x \$71 per hour, or \$3,692 per year increase.
14. There is a 1.5% inflation factor applied to FY 2026 and FY 2027.
15. It is unknown how many bills are seeking to add to the duties of the Office of Public Defender. The fiscal note of each bill is prepared based on the effect of each individual bill. However, when viewed as a package, the cumulative effect of passage of more than one bill would require additional analysis and may require additional resources. OPD may not be able to absorb the work required to defend individuals based upon this legislation.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.10	0.10	0.10
<u>Expenditures:</u>				
Personal Services - DoC	\$0	\$4,604	\$4,673	\$4,744
Operating Expenses - DoC	\$140,255	\$561,020	\$841,530	\$1,122,038
Operating Expenses - OPD	\$3,692	\$3,692	\$3,747	\$3,804
TOTAL Expenditures	\$143,947	\$569,316	\$849,950	\$1,130,586
<u>Funding of Expenditures:</u>				
General Fund (01)	\$143,947	\$569,316	\$849,950	\$1,130,586
TOTAL Funding of Exp.	\$143,947	\$569,316	\$849,950	\$1,130,586
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$143,947)	(\$569,316)	(\$849,950)	(\$1,130,586)

NOT SIGNED BY SPONSOR

Sponsor's Initials

Date



Budget Director's Initials

1-31-23

Date