



TO: Rep. Carol Ammons
FR: SPAC
RE: HB2399 HA1 Scenario Questions
Date: January 7, 2022

HB2300 HA1 – Early Discretionary Release Fiscal Impact for Prison and Parole

House Bill 2399, House Amendment 1 (HB2399) amends the Code of Corrections by adding earned discretionary reentry hearings for those who have served at least 20 years in prison, including life sentences. These hearings could result in parole as determined by the Prisoner Review Board if certain qualifications are met. SPAC cannot reliably estimate a full fiscal impact of the bill due to unknown parameters that could substantially change estimates, primarily how many of those eligible for earned release due to accrued prison time would be allowed early release.

Representative Ammons requested that SPAC model the following scenario:

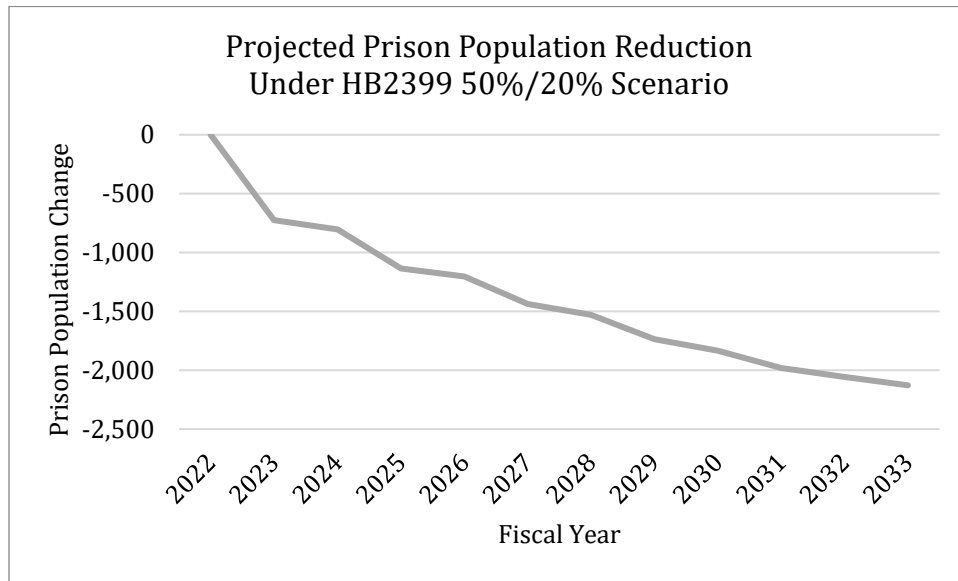
Everyone in IDOC custody who had served at least 20 years becomes eligible for parole on July 1, 2023. If an individual is denied parole, they have subsequent hearings every two years. In the first two years (first hearing cycle), 50% of the parole-eligible population is released. In each subsequent hearing cycle, 20% of the parole-eligible population is released.

Under this scenario, SPAC estimates IDOC costs avoided to be about \$115 million over ten years, about \$11.5 million per year. This includes costs avoided for incarcerating people in prison, about \$13.5 million per year on average and additional or offset costs of parole/mandatory supervised release (MSR) of about \$2.0 million per year. The prison population would be reduced by about 2,150 people by the end of 2023. Figures in red indicate costs avoided. Figures in black indicate additional costs incurred.

Table 1. IDOC Fiscal Impact under 50%/20% Scenario

Net Present Value (2% Discount Rate) of IDOC Costs	First Year	First Three Years	FY2023-2022
Total Impact (A+B) from Reducing Prison Population and Increasing Parole Population for those incarcerated 20+ years	-\$4,898,520	-\$17,553,858	-\$114,805,150
A) Impact from Reducing Prison Population for those incarcerated 20+ years	-\$7,577,550	-\$27,142,731	-\$135,164,177
B) Total Impact from Increasing Parole Population for those incarcerated 20+ years	\$2,679,030	\$9,588,873	\$20,359,028

Figure 1: Projection Prison Population Change under 50%/20% Scenario

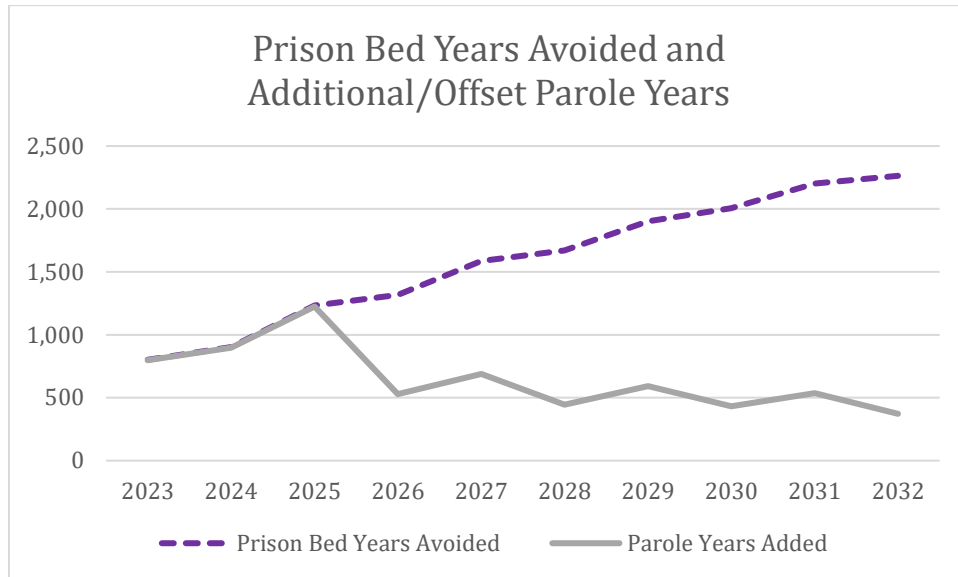


SPAC used FY2021 prison population data to estimate the fiscal impact to IDOC through FY2023 and a projection model to estimate the resulting change in prison population. This includes costs saved from incarceration in prison which may be offset by additional costs for mandatory supervised release. Some individuals simply shift the costs of mandatory supervised release from the future to an earlier date, but retain the same amount of projected MSR. The following caveats are involved with the SPAC estimate and projection:

- Recidivism of those released onto parole/MSR under HB2399 are not modeled in the cost estimates. How many of those would be rearrested, reconvicted, resentenced to prison, or returned to a prison on a technical violation and the timing of such events, as well as the risk pattern of those granted early release will depend on individual early release decisions. For example, about 28% of a 2010-2012 exit cohort that served at least twenty years with at least ten years follow-up were either reconvicted of a new offense or returned to prison on a technical violation. But this cohort will differ compared to a cohort where release is discretionary and with an even older population.
- Additional costs involving other community supervision, recidivism costs, and victimization costs are not modeled for the same reasons.
- Life sentenced individuals are assumed to have parole tenures based on the felony class of their conviction (usually three years).
- People with consecutive sentences are not included in the eligible population.

Figure 2 shows the reduction in prison bed years for each year and the parole years for each year added, which are monetized and discounted to arrive at estimates in Table 1. SPAC used marginal costs of \$9,835 dollars for prison and \$3,494 for parole per year in 2021 dollars. Future costs and benefits are discounted using a 2% discount rate. SPAC then estimated the timing and number of prison bed years saved each year through 2033 and reduced these savings by parole costs. For some people, parole costs are simply incurred earlier while others such as life sentenced individuals have costs incurred that otherwise would not exist for them.

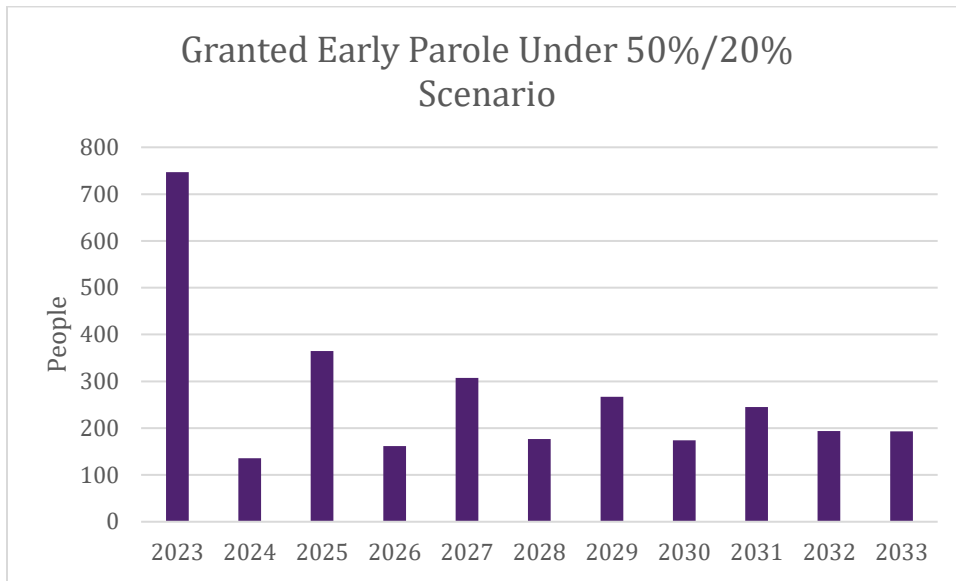
Figure 3: Prison Bed Years and Parole Years Avoided or Added under 50%/20% Scenario



In 2023, the projection assumes 50% of those who are at least 50-years old¹ and have served at least twenty years will be released. If they were not released, they have a 20% chance every two years in the future until they are released. For those who accrue 20 years of time served in IDOC after 2023, they have the same chance the first year (50%) and every two years (20%). The initial drop in the projected prison population is larger than future decreases due to the higher chance of initial release and the large pool of immediately eligible individuals. The prison population declines continuously through 2033, eventually projected to be about 2,150 less people. Likewise, the initial number of people added to parole/MSR in 2023 and every two years after that are larger than other years due to the large pool of immediately eligible individuals. About 750 people would be granted parole/MSR in 2023 in this scenario and about 150-300 people would be granted parole/MSR in future years through 2033.

¹ This age restriction only exists in 2023. In future years, if a person accrues 20 years of time served in IDOC, age does not affect their chance or receiving early discretionary release.

Figure 2: Hearings with Early MSR/Parole Granted under 50%/20% Scenario



The vast majority of those who have and will accrue 20 years of time served in IDOC are incarcerated for serious violent offenses that may make it difficult for them to comply with conditions of parole and registry requirements. 94% of those who have served twenty years in prison or more are currently incarcerated for either a homicide or sex offense². This is likely to heavily influence the percent of people granted earned early discretionary release.

² This includes attempts, conspiracy, and solicitations of homicide or sex offenses.