

A BRIEF COST-BENEFIT ANALYSIS (CBA) OF SB 123 UPDATE¹

This update analysis includes five year pre-SB 123 offenders from FY 1999 to FY 2003 and seven year post SB 123 offenders from FY 2004 to FY 2010. The data used includes all drug possession offenders. The comparison between pre and post SB 123 includes two outcomes – direct prison admission and probation revocation to prison. Direct prison admission is divided into two groups – one with criminal history category E to I which is the mandatory drug treatment group and another with criminal history category A to D which is the discretionary group.

Direct Prison Admission Reduction

1. **Criminal History Category E to I:** The following table indicates that 6,070 offenders with criminal history category E to I were convicted of the offenses of drug possessions over the five year period from FY 1999 to FY 2003 (pre SB 123). Of this number, 561 offenders or 9.2 % were directly sentenced to prison. Over the seven year period from FY 2004 to FY 2010 (post SB123), 448 offenders or 4.3% of the 10,309 drug possession offenders with criminal history category E to I were directly sentenced to prison. The percentage of the direct prison sentence of this group after SB 123 implemented is reduced by 4.9%.

Fiscal Year	Criminal History E to I	Direct Prison Sentence	Percent
1999	1053	117	11.1%
2000	1166	112	9.6%
2001	1180	107	9.1%
2002	1295	113	8.7%
2003	1376	112	8.1%
Pre SB 123	6070	561	9.2%
2004	1309	91	7.0%
2005	1480	69	4.7%
2006	1651	69	4.2%
2007	1530	41	2.7%
2008	1625	61	3.8%
2009	1325	48	3.6%
2010	1389	69	5.0%
Post SB 123	10309	448	4.3%
Pre and Post % Difference			-4.9%

- The percentage decrease of the direct prison sentence reduced direct prison admission as shown in the following table. The admission reduction calculation is based on: Number of post SB 123 offenders * the overall pre SB

¹ This update analysis revises the previous brief report by using offenders and overall revocation rate instead of sentences and average revocation rate. Only the first conviction is selected for offenders who had multiple drug possession convictions. The updated analysis added FY 2010 drug possession offenders.

123 % - Number of Prison Sentences. The following table represents the direct prison admission reduction of this group from FY 2004 to FY 2010.

- The average underlying prison sentence for this group was 13.3 months.

Fiscal Year	Direct Prison Admission Reduction Criminal History E to I
2004	30
2005	68
2006	84
2007	100
2008	89
2009	74
2010	59

2. **Criminal History Category A to D:** The admissions of drug possession offenders with criminal history category A to D who were directly sentenced to prison from FY 1999 to FY 2010 is shown in the following table.

Fiscal Year	Criminal History A to D	Direct Prison Sentence	Percent
1999	202	108	53.5%
2000	242	144	59.5%
2001	263	135	51.3%
2002	282	138	48.9%
2003	292	148	50.7%
Pre SB 123	1281	673	52.5%
2004	326	116	35.6%
2005	370	147	39.7%
2006	432	178	41.2%
2007	432	176	40.7%
2008	427	146	34.2%
2009	375	147	39.2%
2010	483	178	36.9%
Post SB 123	2845	1088	38.2%
Pre and Post % Difference			-14.3%

- The overall percentage of this group who were directly sentenced to prison from FY 1999 to FY 2003 was 52.5%. The overall percentage of direct prison sentences of this group from FY 2004 to FY 2010 was 38.2%, a decrease of 14.3%. In other ward, 14.3% of the offenders with criminal history categories A to D were sentenced to drug treatment by discretion since the implementation of SB 123. The number of direct prison admission reductions is shown in the following table.
- The average underlying prison sentence of this group was 29.5 months.

Fiscal Year	Direct Prison Admission Reduction Criminal History A to D
2004	55
2005	47
2006	49
2007	51
2008	78
2009	50
2010	76

Probation Revocation to Prison Reduction

The comparison between pre and post SB 123 probation revocation to prison is shown in the following table. The number of probation revocation to prison from FY 1999 to 2003 (pre SB 123) is based on the drug possession offenders. The number of probation revocation to prison from FY 2004 to FY 2010 is based on the SB 123 offenders.

Fiscal Year	Number of Probation Offenders	Number of Probation Violators to Prison	Percent
1999	1023	264	25.8%
2000	1154	276	23.9%
2001	1206	266	22.1%
2002	1333	358	26.9%
2003	1415	372	26.3%
Pre SB 123	6131	1536	25.1%
2004	339	0	0.0%
2005	1053	52	4.9%
2006	1265	140	11.1%
2007	1179	177	15.0%
2008	1227	179	14.6%
2009	1043	161	15.4%
2010	1018	207	20.3%
Post SB 123	7124	916	12.9%
Pre and Post % Difference			-12.2%

- The prison admission reduction of SB 123 probation violators is based on the calculation: Number of SB123 Sentence * the SB 123 % Reduction.
- The average underlying prison sentence of this group was 15.3 months.

Fiscal Year	SB 123 Revocation to Prison Admission Reduction
2004	46
2005	142
2006	171
2007	159
2008	166
2009	141
2010	124

- The table below summarizes the total prison admission reductions each fiscal year since the implementation of SB 123.

Fiscal Year	Direct Prison Admission Reduction	SB 123 Revocation to Prison Admission Reduction	Total Prison Admission Reduction
2004	85	41	127
2005	115	128	244
2006	133	154	287
2007	151	144	295
2008	168	150	317
2009	124	127	252
2010	135	124	259

Prison Bed Savings and Cost Avoidance

The estimated prison bed saving is based the SB 123 offenders' average underlying prison sentences minus good time and jail credit. The annual cost of an inmate housed in KDOC is based on \$25,000. The table below indicates the estimated beds (or population) and money saved.

Fiscal Year	Beds Saved	Prison Cost Avoidance
2004	101	\$2,525,000
2005	246	\$6,150,000
2006	333	\$8,325,000
2007	355	\$8,875,000
2008	395	\$9,875,000
2009	338	\$8,450,000
2010	346	\$8,650,000

Direct Cost and Benefit of SB 123

The following table displays the direct cost and benefit of SB 123 by fiscal year. Since the implementation of SB 123, this policy has saved the State an estimated total of \$8 millions.

Fiscal Year	SB 123 Expenditure	Money Collected	Actual SB123 Cost	Prison Cost Avoidance	Estimated Money Saved
2004	\$ 998,467.75	\$ 15,948.04	\$ 982,519.71	\$ 2,525,000.00	\$ (1,542,480.29)
2005	\$ 5,106,505.20	\$ 150,224.27	\$ 4,956,280.93	\$ 6,150,000.00	\$ (1,193,719.07)
2006	\$ 7,861,395.40	\$ 213,588.86	\$ 7,647,806.54	\$ 8,325,000.00	\$ (677,193.46)
2007	\$ 8,642,249.50	\$ 202,853.89	\$ 8,439,395.61	\$ 8,875,000.00	\$ (435,604.39)
2008	\$ 8,640,578.25	\$ 229,649.20	\$ 8,410,929.05	\$ 9,875,000.00	\$ (1,464,070.95)
2009	\$ 7,677,082.00	\$ 382,769.17	\$ 7,294,312.83	\$ 8,450,000.00	\$ (1,155,687.17)
2010	\$ 7,450,262.75	\$ 405,707.81	\$ 7,044,554.94	\$ 8,650,000.00	\$ (1,605,445.06)
Total	\$46,376,540.85	\$1,600,741.24	\$44,775,799.61	\$ 52,850,000.00	\$ (8,074,200.39)