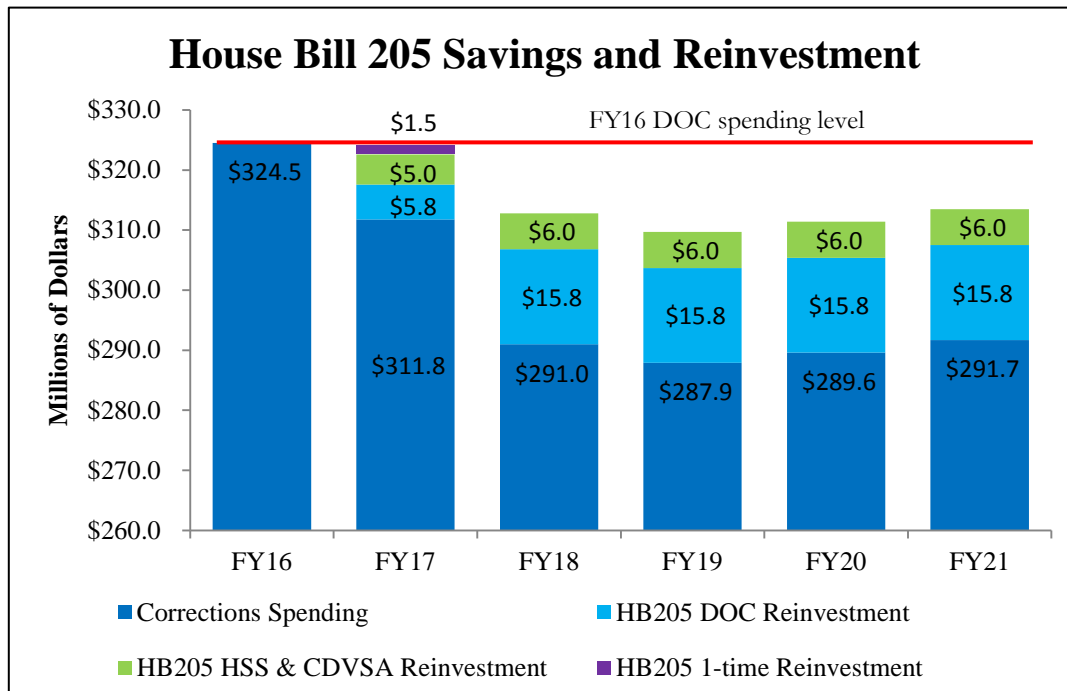


How Would Reinvestment in House Bill 205 Work?



*Total
Savings:
\$150.5
million*

What is the Justice Reinvestment concept in HB205?

House Bill 205 will safely reduce the state's average daily prison population by over 1,600 beds, saving the state millions of dollars each year in marginal cost savings. These savings will serve two purposes: 1) help close the budget gap and 2) free up funds for reinvestment into programs proven to reduce recidivism and victimization.

Will Alaska achieve a net savings after reinvestment?

Yes. Under this proposal, even after reinvestment, the state would achieve savings each year, totaling an estimated 51.0 million dollars through 2021.

How will reinvestment dollars be spent?

Reinvestment dollars will help fund high-priority services for offenders and crime victims. They would be allocated to:

- The Department of Corrections for reinvestment into treatment programming for offenders in prison and community-based pretrial supervision and services,
- The Department of Health and Social Services for grants to community-based treatment and reentry services for offenders, and
- The Council on Domestic Violence and Sexual Assault for grants to community-based prevention programming and victims' services.

How will the reinvestment spending be overseen?

The Alaska Criminal Justice Commission will advise on how reinvestment dollars are spent, and will report to the Legislature each year on HB205 implementation and reinvestment.

Will reinvestment happen just once or every year?

Every year. In the upcoming fiscal year, HB205 will have some implementation costs. In addition to the implementation costs, \$5.8 million would be needed for reinvestment into Department of Corrections treatment, parole board staffing, and pretrial services, and another \$5.0 million would be reinvested into community-based treatment, prevention, reentry, and victims' services. These reinvestments would then be increased in the second year after implementation when the most significant savings are achieved by HB205. That increased reinvestment amount will be maintained in years three through five as part of the continuing budgets for the Department of Corrections, Department of Health and Social Services, and Council on Domestic Violence and Sexual Assault.

Under this proposal, the 5-year cumulative reinvestment into Department of Corrections treatment and pretrial services will be \$70.5 million, and the 5-year cumulative reinvestment into community-based services will be \$29.0 million.

How are the savings numbers in this document different from the Alaska Criminal Justice Commission's projected savings?

They differ in several ways:

Alaska Criminal Justice Commission	Office of Management and Budget
Savings estimate for a 10-year period.	Savings estimate for a 5-year period.
The savings estimate counts both the net savings from the prison population reduction and the averted costs from the avoided future prison population growth.	The savings estimate counts only the net savings from the prison population reduction.
The savings estimate is the gross savings before reinvestment.	The savings estimate is the net savings after reinvestment.
Projected population reduction and associated savings are based on the Commission's recommendations.	Projected population reduction and associated savings are based on HB205, which largely incorporates the Commission's recommendations, but differs in some ways.

Notes

- Reduction in beds and accompanying savings are predicated on passage of HB205 and timely implementation of recommended elements.
- The DOC costs and savings included here are based on HB205 on March 21, 2016. The costs are supplemented with proposed reinvestment dollar amounts based on the priorities identified by the Alaska Criminal Justice Commission. If changes are made to the bill, costs and savings will be impacted.

HB205 Savings and Reinvestment FY17-FY21

Savings and costs will be included in the base in future years so will carry forward.

Marginal Per-Bed Cost Savings** (\$41.49 per day per bed) in HB205

Fiscal Year	Prison Bed Change By FY	Cumulative Prison Bed Change	FY2017 Savings*	FY2018 Savings	FY2019 Savings	FY2020 Savings	FY2021 Savings	Cumulative Total Savings By FY**
FY2017	-307	-307	-\$12.7					-\$12.7
FY2018	-1,374	-1,681	-\$12.7	-\$20.8				-\$33.5
FY2019	-203	-1,884	-\$12.7	-\$20.8	-\$3.1			-\$36.6
FY2020	109	-1,775	-\$12.7	-\$20.8	-\$3.1	+\$1.7		-\$34.9
FY2021	137	-1,638	-\$12.7	-\$20.8	-\$3.1	+\$1.7	+\$2.1	-\$32.8
Total			-\$63.5	-\$83.2	-\$9.3	+\$3.4	+\$2.1	Total Savings = -\$150.5

**Reduction in beds and accompanying savings predicated on passage of SB91 and timely implementation of recommended elements.

*\$8.0 million of reduction is DOC budget reduction in Governor's FY17 budget

Total Costs

Fiscal Year	FY2017 Total Cost	FY2018 Total Cost	FY2019 Total Cost	FY2020 Total Cost	FY2021 Total Costs	Cumulative Total Costs By FY
FY2017	\$12.3 (includes \$1.5M one-time costs)					\$12.3
FY2018	\$10.8	\$11.0				\$21.8
FY2019	\$10.8	\$11.0	\$0			\$21.8
FY2020	\$10.8	\$11.0	\$0	\$0		\$21.8
FY2021	\$10.8	\$11.0	\$0	\$0	\$0	\$21.8
Total	\$55.5	\$44.0	\$0	\$0	\$0	Total Costs = \$99.5

FY2017 Costs:

- \$1.5 million: revisions to the ACOMS database to address the time accounting adjustments and victim notification modifications (one-time)
- \$0.8 million: additional parole board capacity
- \$5.0 million: reinvestment in treatment and pre-trial programs (through DOC)
- \$5.0 million: reinvestment in community-based services (through HSS and CDVSA)

FY2018 Costs:

- \$10.0 million, reinvestment in treatment and pre-trial programs (through DOC)
- \$1.0 million, reinvestment in community-based services (through HSS and CDVSA)

Total Net Savings HB205 FY2017 – FY2021
= \$51.0 million