

To: Joint Committee on Finance
From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE**Rent (Corrections -- Departmentwide)**

[LFB Summary: Page 163, #4]

CURRENT LAW

The Department of Corrections has adjusted base funding of \$5,387,300 GPR and \$772,700 PR for rent costs. This includes private lease costs as well as charges for state-owned space.

GOVERNOR

Provide \$462,500 GPR and -\$85,100 PR in 1997-98 and \$650,700 GPR and -\$69,500 PR in 1998-99 for rental costs on a departmentwide basis. The funding would be divided as follows: (a) Adult Correctional Services, \$482,700 GPR and \$20,300 PR in 1997-98 and \$670,900 GPR and \$31,600 PR in 1998-99; and (b) Juvenile Corrections, -\$20,200 GPR and -\$105,400 PR in 1997-98 and -\$20,200 GPR and -\$101,100 PR in 1998-99.

DISCUSSION POINTS

1. Rent provided under Senate Bill 77 was based on the Department's request, as modified to reflect reductions for moves that were initiated by Corrections. The Department's request included inflationary adjustments of 3% for each year of the biennium, for both private leases and state-owned space.

2. DOA has indicated that rent for state-owned space will not increase during 1997-99. In addition, funding provided under the bill for rent supplements of private leases in 1997-98 and 1998-99 includes inflationary increases of 3.5% annually. Prior Committee action has approved the rent supplement funding.

3. The rent supplements include funding for base rent inflationary increases. However, some private leases require additional expenditures for all or some of the following: utilities, custodial services and tenant improvements. Inflationary increases for these costs are not funded from the rent supplement appropriation. Therefore, agencies need to include these costs in their agency budgets.

4. According to DOA's Bureau of Space Planning and Leasing, Corrections' central office space in Madison is insufficient given the number of employees currently assigned to the building. As a result, DOA is in the process of locating additional space for the Department. It is anticipated that this additional space will be secured during the 1997-99 biennium. These costs need to be included in budget calculations.

5. The above adjustments result in reestimates of Corrections' rental costs for 1997-99 as follows: (a) Adult Correctional Services, -\$327,900 GPR and -\$84,000 PR in 1997-98 and -\$451,800 GPR and -\$86,500 PR in 1998-99; (b) the Parole Commission, \$5,600 GPR in 1997-98 and \$7,600 GPR in 1998-99; and (c) Juvenile Corrections, -\$5,000 GPR annually and \$30,000 PR in 1997-98 and \$29,500 PR in 1998-99.

ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to provide \$462,500 GPR and -\$85,100 PR in 1997-98 and \$650,700 GPR and -\$69,500 PR in 1998-99 for rental costs.

| <u>Alternative 1</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|-------------|------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$1,113,200 | -\$154,600 | \$958,600 |
| [Change to Bill] | \$0 | \$0 | \$0 |

2. Modify the Governor's recommendation to reflect reestimates of rental costs as follows: (a) Adult Correctional Services, -\$327,900 GPR and -\$84,000 PR in 1997-98 and -\$451,800 GPR and -\$86,500 PR in 1998-99; (b) the Parole Commission, \$5,600 GPR in 1997-98 and \$7,600 GPR in 1998-99; and (c) Juvenile Corrections, -\$5,000 GPR annually and \$30,000 PR in 1997-98 and \$29,500 PR in 1998-99.

| <u>Alternative 2</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|-------------|-------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$336,700 | - \$265,600 | \$71,100 |
| [Change to Bill] | - \$776,500 | - \$111,000 | - \$887,500] |

Prepared by: Debbie Salm

MO# Alt #2

| | | | |
|----------|----------|---|---|
| JENSEN | <u>Y</u> | N | A |
| OURADA | <u>Y</u> | N | A |
| HARSDORF | <u>Y</u> | N | A |
| ALBERS | <u>Y</u> | N | A |
| GARD | <u>Y</u> | N | A |
| KAUFERT | <u>Y</u> | N | A |
| LINTON | <u>Y</u> | N | A |
| COGGS | <u>Y</u> | N | A |

| | | | |
|--------------|----------|---|--------------|
| <u>BURKE</u> | <u>Y</u> | N | A |
| DECKER | <u>Y</u> | N | A |
| GEORGE | <u>Y</u> | N | A |
| JAUCH | <u>Y</u> | N | A |
| WINEKE | <u>Y</u> | N | A |
| SHIBILSKI | <u>Y</u> | N | A |
| COWLES | <u>Y</u> | N | A |
| PANZER | <u>Y</u> | N | A |

AYE 15 NO 0 ABS 1

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Information Technology Funding (Corrections -- Departmentwide)

[LFB Summary: Page 165, #9, #10 and #11]

CURRENT LAW

Base level funding for the Department of Corrections' information technology units (systems and application development, and network engineering and support) is \$1,997,200 (\$1,599,600 GPR and \$397,600 PR) with 25.5 positions (22.5 GPR and 3.0 PR positions).

GOVERNOR

Provide \$2,867,300 GPR in 1997-98 and \$2,060,100 GPR and \$1,800,000 PR in 1998-99 with 3.0 GPR positions annually for information technology staff support and network management, a Division of Community Corrections information system and reengineering of departmental information systems.

DISCUSSION POINTS

1. The bill provides funding for the following information technology (IT) items in the Department of Corrections:

Staff Support and Network Management (\$1,993,100 GPR in 1997-98 and \$2,060,100 GPR and \$303,300 PR in 1998-99 with 3.0 GPR positions annually). Funding would support: (a) network management staff, \$124,800 GPR in 1997-98 and \$165,500 GPR in 1998-99 with 3.0 GPR positions annually; and (b) \$1,868,300 GPR in 1997-98 and \$1,894,600 GPR and

\$303,300 PR in 1998-99 to contract for network management services to install, support and manage information technology network infrastructure.

Community Corrections Information System (\$574,200 GPR in 1997-98 and \$1,296,700 PR in 1998-99). Funding would be provided on a one-time basis for the purchase of computer hardware, software and network file servers for the Division of Community Corrections.

Reengineering of Departmental Information Systems (\$300,000 GPR in 1997-98 and \$200,000 PR in 1998-99). Funding would be used to contract for the reengineering of existing information systems.

2. The request included in the budget was developed by DOA's Division of Technology Management (DTM), using priorities identified in Corrections' 1997-99 budget request. Corrections' request included the following:

- \$4,109,500 GPR and 16.0 GPR positions in 1997-98 and \$3,935,200 GPR and 18.0 GPR positions in 1998-99 for: (a) integration of the Department's computer systems and the addition of the minimum security correctional centers and juvenile correctional facilities to the inmate accounting system; (b) reengineering of the current mainframe computer system to improve the data collected, eliminate duplicative data and enhance accessibility to the data; (c) the Division of Juvenile Corrections to design, develop and implement an automated information system and a gang intervention system; and (d) information service charges for DOA.

- \$1,709,800 GPR in 1997-98 and \$1,900,500 GPR in 1998-99 to expand the use of information technology to the Division of Community Corrections (DCC) field offices and the correctional centers, including \$1,589,800 GPR in 1997-98 and \$1,900,500 GPR in 1998-99 on a one-time basis to purchase hardware and software for the new system. Under Corrections' request, the system would have: (a) integrated the existing case management systems of the former Divisions of Probation and Parole and Intensive Sanctions and the correctional center system into a single unit; (b) allowed communications among the correctional centers and DCC field offices; (c) automated existing forms and processes; and (d) provided for monitoring of purchasing, food service management, expenditures, inmate accounts and inmate movement.

- \$1,993,100 GPR and 20.0 GPR positions in 1997-98 and \$2,363,400 GPR and 26.0 GPR positions in 1998-99 associated with the following: (a) 4.0 network management staff; (b) 4.0 help desk staff; (c) regional area support in each Division of Community Corrections district (12.0 positions in 1997-98 and 18.0 positions in 1998-99); (d) equipment to convert to a common standard network; (e) network security hardware and software; (f) 2.0 contract network analysts; (g) network maintenance and support costs; and (h) leased vehicles for regional staff.

In total, Corrections requested \$7,812,400 GPR and 36.0 GPR positions in 1997-98 and \$8,199,100 GPR and 44.0 GPR positions in 1998-99.

Staff Support and Network Management

3. According to DTM, Corrections has 4,100 employees who should have regular access to a networked personal computer. These employees include probation and parole agents, education, social service, health services and administrative staff in the correctional institutions and centers, and central office administrative staff. Corrections currently has 2,937 personal computers. Based on DOA information technology standard costs for personal computers, software, printers, support costs and network costs, and assuming that personal computers need to be replaced every four years, DOA estimates that to "fully fund" the Department's IT infrastructure needs would require \$9.5 million annually. The estimated base level funding for information technology equipment and software in Corrections is \$696,400 annually (\$435,800 GPR and \$260,600 PR). DOA indicates that the increased funding provided in the bill is intended to begin to provide appropriate IT support to Corrections.

4. As part of the staff support and network management item, 3.0 positions are provided to assist correctional offices statewide with establishing and maintaining computer networks. DOA argues that optimal IT support services (installation of hardware and software, computer trouble-shooting, on-site training, user assistance, designing networks, local area network administration, developing databases, hardware security, applications conversion and general problem resolution) is provided if an agency has one IT support position for every 55 workers (or \$1,000 per worker for contracted support services). Since many agencies are not meeting this optimal level of support, DOA has indicated that its goal is to provide all agencies with access to at least one support staff for every 100 computer users. Based on the current number of personal computers and support staff in Corrections, the additional 3.0 positions and funding provided in the budget for contracted support services (\$840,000 in 1997-98 and \$1,050,000 in 1998-99), plus the additional personal computers provided in the bill, Corrections support staff ratio would decrease from one for every 255 workers with personal computers to approximately one for every 100 workers.

5. The bill provides \$835,000 in 1997-98 and \$955,000 in 1998-99 for establishing computer network connections at 25 correctional locations annually statewide. Networked computers allow for the on-line exchange of information within and outside a location, and provide access to central databases statewide. As such, networks play an important role in providing uniform and timely access to information needed to effectively manage inmates, probationers and parolees. Corrections estimates that, on average, the cost of network hardware, software, wiring and installation will be \$31,000 per site. The Department has identified at least 150 potential sites.

Community Corrections Information System Equipment

6. The bill provides \$574,200 GPR in 1997-98 and \$1,296,700 PR in 1998-99 in one-time funding for the purchase of computer hardware, software and network file servers for the Division of Community Corrections (DCC). Funding would purchase 174 personal computers

in 1997-98 and 393 in 1998-99. Program revenue funding in 1998-99 would come from federal anti-drug and matching penalty assessment funds through the Office of Justice Assistance. The Division of Community Corrections currently has 369 personal computers (including 150 personal computers purchased through a grant from the information technology investment fund) for 1,160 probation and parole agents (approximately 32% of agents have a personal computer).

7. Given that the bill provides an additional 122 agents in 1997-98 and 141 in 1998-99, and that some of the existing, older computers have become obsolete, additional computers will be necessary. DOA has indicated that its goal is to ensure that one-third of agents have a personal computer. To accomplish this goal the Governor's recommendation could be reduced to provide an additional 127 personal computers in 1997-98 and an additional 117 in 1998-99. However, since funding in 1998-99 is program revenue provided through OJA and is available for expenditure on technology projects, the Committee may wish to fully utilize this revenue source. Under this alternative, funding provided under the bill could be reduced by \$155,100 GPR in 1997-98. This alternative would provide personal computers to over 60% of agents in 1998-99.

Reengineering of Department Information Systems

8. The bill provides \$300,000 GPR in 1997-98 and \$200,000 PR in 1998-99 to contract for the reengineering of existing information systems. The executive budget book indicates that the reengineering process would not only redesign information systems, but would identify positions that may be reallocated or retrained to provide support for existing and new technologies. The funding provided is not based on specific projects or any amount of consultant services necessary to redesign Corrections information systems.

9. DTM believes that, in the past, Corrections has not placed emphasis on planning and priority setting in regards to utilization of information technology on a departmentwide basis. By funding consulting services, DTM hopes to bring in outside experts to provide direction to IT utilization in Corrections. A more coordinated approach will allow Correction offices statewide to exchange and better utilize data, including information on prisoner, probationer and parolee status, financial information and statistical information. DTM indicates that funding may be used to support a number of consultant contracts in areas such as internet/intranet development and implementation, business process reengineering, electronic forms implementation or other business technologies.

10. Since the funding of consulting services is not based on any specific project and the hiring of consultants in 1997-98 would take some time, it could be argued that a lower level of funding could be provided in 1997-98. The Committee could provide \$150,000 GPR in 1997-98, allowing time to hire consultants.

11. The Joint Committee on Information Policy (JCIP) is responsible for the review of new or expanded information management and technology systems, plans, practices and

policies of state agencies. It could be argued, therefore, that Legislative oversight of the Corrections' reengineering project is appropriate. Nonstatutory language could be created that would require DOA and Corrections to submit the results of any consultant's study on the reengineering of information systems in Corrections to JCIP for approval before any of the consultant's recommendations could be implemented.

ALTERNATIVES TO BASE

A. Staff Support and Network Management

1. Approve the Governor's recommendation to provide \$1,993,100 GPR in 1997-98 and \$2,060,100 GPR and \$303,300 PR in 1998-99 with 3.0 GPR positions annually for: (a) network management staff, \$124,800 GPR in 1997-98 and \$165,500 GPR in 1998-99 with 3.0 GPR positions annually; and (b) \$1,868,300 GPR in 1997-98 and \$1,894,600 GPR and \$303,300 PR in 1998-99 to contract for network management services to install, support and manage information technology network infrastructure.

| <u>Alternative A1</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|------------------------------------|-------------|-----------|--------------|
| 1997-99 FUNDING (Change to Base) | \$4,053,200 | \$303,300 | \$4,356,500 |
| [Change to Bill] | \$0 | \$0 | \$0] |
| 1998-99 POSITIONS (Change to Base) | 3.00 | 0.00 | 3.00 |
| [Change to Bill] | 0.00 | 0.00 | 0.00] |

2. Take no action.

| <u>Alternative A2</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|------------------------------------|---------------|-------------|----------------|
| 1997-99 FUNDING (Change to Base) | \$0 | \$0 | \$0 |
| [Change to Bill] | - \$4,053,200 | - \$303,300 | - \$4,356,500] |
| 1998-99 POSITIONS (Change to Base) | 0.00 | 0.00 | 0.00 |
| [Change to Bill] | - 3.00 | 0.00 | - 3.00] |

B. Community Corrections Information System Equipment

1. Approve the Governor's recommendation to provide \$574,200 GPR in 1997-98 and \$1,296,700 PR in 1998-99, on a one-time basis, for the purchase of computer hardware, software and network file servers for the Division of Community Corrections.

| <u>Alternative B1</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|------------|-------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$574,200 | \$1,296,700 | \$1,870,900 |
| [Change to Bill] | \$0 | \$0 | \$0] |

2. Approve the Governor's recommendation but delete \$155,100 GPR in 1997-98 for personal computers. [This alternative would provide personal computers to approximately one-third of probation and parole agents in 1997-98 and over 60% in 1998-99.]

| <u>Alternative B2</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|-------------|-------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$419,100 | \$1,296,700 | \$1,715,800 |
| [Change to Bill] | - \$155,100 | \$0 | - \$155,100] |

3. Take no action.

| <u>Alternative B3</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|-------------|---------------|----------------|
| 1997-99 FUNDING (Change to Base) | \$0 | \$0 | \$0 |
| [Change to Bill] | - \$574,200 | - \$1,296,700 | - \$1,870,900] |

C. Reengineering of Departmental Information Systems

1. Approve the Governor's recommendation to provide \$300,000 GPR in 1997-98 and \$200,000 PR in 1998-99 to contract for the reengineering of existing information systems.

| <u>Alternative C1</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|------------|-----------|--------------|
| 1997-99 FUNDING (Change to Base) | \$300,000 | \$200,000 | \$500,000 |
| [Change to Bill] | \$0 | \$0 | \$0] |

2. Approve the Governor's recommendation, but reduce funding in 1997-98 by \$150,000 GPR.

| <u>Alternative C2</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|-------------|-----------|--------------|
| 1997-99 FUNDING (Change to Base) | \$150,000 | \$200,000 | \$350,000 |
| [Change to Bill] | - \$150,000 | \$0 | - \$150,000] |

3. In addition to Alternatives C1 or C2, create nonstatutory language requiring DOA and Corrections to submit the results of any consultant's study on the reengineering of information systems in Corrections to the Joint Committee on Information Policy for approval before any of the consultant's recommendations could be implemented.

4. Take no action.

| Alternative C4 | GPR | PR | TOTAL |
|----------------------------------|------------|------------|------------|
| 1997-99 FUNDING (Change to Base) | \$0 | \$0 | \$0 |
| [Change to Bill] | -\$300,000 | -\$200,000 | -\$500,000 |

Prepared by: Jere Bauer

MO# AH*AI*ABZ

| | | | |
|---------------|--------------|--------------|---|
| 1 JENSEN | Y | N | A |
| OURADA | Y | N | A |
| HARSDORF | Y | N | A |
| ALBERS | Y | N | A |
| GARD | Y | N | A |
| KAUFERT | Y | N | A |
| LINTON | Y | N | A |
| COGGS | Y | N | A |
| | | | |
| 2 BURKE | Y | N | A |
| DECKER | Y | N | A |
| GEORGE | Y | N | A |
| JAUCH | Y | N | A |
| WINEKE | Y | N | A |
| SHIBILSKI | Y | N | A |
| COWLES | Y | N | A |
| PANZER | Y | N | A |
| | | | |
| AYE <u>15</u> | NO <u>0</u> | ABS <u>1</u> | |

MO# AH*C2

| | | | |
|---------------|--------------|--------------|---|
| JENSEN | Y | N | A |
| OURADA | Y | N | A |
| HARSDORF | Y | N | A |
| ALBERS | Y | N | A |
| GARD | Y | N | A |
| KAUFERT | Y | N | A |
| LINTON | Y | N | A |
| COGGS | Y | N | A |
| | | | |
| 2 BURKE | Y | N | A |
| DECKER | Y | N | A |
| GEORGE | Y | N | A |
| 1 JAUCH | Y | N | A |
| WINEKE | Y | N | A |
| SHIBILSKI | Y | N | A |
| COWLES | Y | N | A |
| PANZER | Y | N | A |
| | | | |
| AYE <u>15</u> | NO <u>0</u> | ABS <u>1</u> | |

MO# AH*C3

| | | | |
|---------------|--------------|--------------|---|
| JENSEN | Y | N | A |
| OURADA | Y | N | A |
| HARSDORF | Y | N | A |
| ALBERS | Y | N | A |
| GARD | Y | N | A |
| KAUFERT | Y | N | A |
| LINTON | Y | N | A |
| COGGS | Y | N | A |
| | | | |
| 2 BURKE | Y | N | A |
| DECKER | Y | N | A |
| GEORGE | Y | N | A |
| 1 JAUCH | Y | N | A |
| WINEKE | Y | N | A |
| SHIBILSKI | Y | N | A |
| COWLES | Y | N | A |
| PANZER | Y | N | A |
| | | | |
| AYE <u>10</u> | NO <u>5</u> | ABS <u>1</u> | |

VOTES
wrong

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE**Correctional Training Center (Corrections -- Departmentwide)**

[LFB Summary: Page 166, #14]

CURRENT LAW

No person may be permanently appointed as a correctional officer (any person employed by the state whose principal duty is the supervision of inmates at a prison) unless the person has satisfactorily completed a preservice training program approved by the Department of Corrections. DOC may also conduct a program of in-service training and staff development and, in cooperation with educational institutions, provide facilities for work experience for students.

DOC receives approximately 9% of the revenue from the penalty assessment on court fines and forfeitures, which is deposited in a program revenue appropriation to finance correctional officer training. Base funding for the appropriation is \$1,382,500 PR with 8.0 PR positions. In addition, approximately \$584,500 GPR in base funding is allocated for departmental training needs, including preservice officer training, as well as training for other DOC staff.

GOVERNOR

Provide \$73,600 GPR and \$206,400 PR in 1997-98 and \$53,000 GPR and \$214,700 PR in 1998-99 and 1.5 GPR and 2.5 PR positions annually for correctional training, as follows:

Division of Adult Institutions

The GPR portion of the recommendation (\$73,600 GPR in 1997-98 and \$53,000 GPR in 1998-99) would support: (a) 1.0 program assistant to address increased workload at the training

center in Madison; (b) 0.5 communications technician to support training delivered through distance education; and (c) one-time costs for expansion of the Madison distance education studio and a computer training center.

The program revenue portion of the recommendation would be funded from the penalty assessment fund (\$27,800 PR in 1997-98 and \$31,000 PR in 1998-99 and 1.0 PR position annually) which would provide increased administrative support at the training center in Oshkosh.

Division of Juvenile Corrections

Program revenue would be provided from an appropriation related to the operations of juvenile secured correctional facilities, primarily funded from county youth aids allocations (\$178,600 PR in 1997-98 and \$183,700 PR in 1998-99 and 1.5 PR position annually) which would support training for agents who supervise juveniles in the community. Funding includes: (a) staffing costs, \$46,200 in 1997-98 and \$61,600 in 1998-99; (b) one-time costs, \$20,300 in 1997-98; (c) increased space lease costs, \$30,000 in 1997-98 and \$40,000 in 1998-99; and (d) \$82,100 annually for training supplies and services costs.

DISCUSSION POINTS

Division of Adult Institutions

1. The correctional officer preservice program provides a combination of 200 hours of training at the Correctional Training Center in Oshkosh and 80 hours of on-the-job training in a correctional institution. Other staff development and continuing education courses for DOC employees are conducted in Madison.

2. DOC officials indicate that there has been no increase in the number of training officer positions since 1988. In addition to the preservice training supported by the penalty assessment program revenue, Department officials indicate that approximately \$81,000 GPR is currently allocated for preservice training.

3. The Governor's recommendation would provide GPR funds for general departmental training needs and program revenue resources for correctional officer preservice training at the Correctional Training Center in Oshkosh (penalty assessment program revenue). The provisions made under the bill appear modest in light of the growth in adult correctional staffing.

4. A question may be raised concerning the penalty assessment revenue that is provided to the Department. It does not appear that the revenue amounts in 1997-98 and 1998-99 will be adequate to support the additional expenditure authority provided under the bill.

5. In 1996-97, the appropriation for correctional officer training is projected to have a year-end balance of approximately \$149,200. DOC revenue from the penalty assessment is projected at \$1,227,700 PR in 1997-98 and \$1,264,600 in 1998-99. Expenditure authority provided under the bill for the correctional officer training totals \$1,459,500 PR in 1997-98 and \$1,470,300 PR in 1998-99 (with base funding at \$1,382,500). If this expenditure authority was fully utilized, estimated deficits of approximately \$82,600 in 1997-98 and \$288,300 in 1998-99 would occur.

6. DOC indicates that expenditures in the appropriation would not exceed revenues because the Department would reallocate existing GPR resources to cover any program revenue shortfall for preservice training. According to DOC officials, the costs of preservice training that have not been covered by program revenue have been routinely covered by reallocated GPR funds in the past. With this understanding, the request for adult correctional training could be approved.

Division of Juvenile Corrections (DJC)

7. In its 1997-99 biennial budget request, DOC had requested \$209,000 GPR in 1997-98 and \$209,400 GPR in 1998-99 with 1.5 GPR positions annually to provide training to DJC corrective sanctions and aftercare agents. The agency argued that, because of the increased seriousness of crimes committed by juveniles, corrective sanctions and aftercare agents need the same level of training as adult probation and parole agents. The Governor, instead, provided \$178,600 PR in 1997-98 and \$183,700 PR in 1998-99 and 1.5 PR positions annually for juvenile corrections staff training.

8. Currently, on-site training for juvenile staff is provided within each facility, but the Division of Juvenile Corrections has relatively few formal training resources in place (2.5 training positions are authorized under base funding). DJC officials indicate that existing facility-based training does not address the community-based training needs of corrective sanctions and aftercare agents.

9. Under the bill, the expenditure authority for DJC staff training is placed in the juvenile operations appropriation for state secured correctional facilities. This has the effect of providing for these training costs within the daily rate structure for facility care (adding just over \$0.50 per day to the rate in each year). The daily rates for various types of juvenile care are paid primarily from GPR youth aids allocations provided to counties and, to a lesser extent, from the GPR-funded serious juvenile offender appropriation.

10. While training is a cost of operations, the intent underlying the agency budget request was to provide training resources for corrective sanctions and aftercare agents. These costs would more properly be added to the costs of the corrective sanctions and aftercare programs. This could be accomplished by providing \$114,100 PR and 1.0 PR position in 1997-98 and \$119,900 PR in 1998-99 to the corrective sanctions program and \$64,500 PR and 0.5 PR

position in 1997-98 and \$63,800 in 1998-99 for the aftercare services appropriation. This alternative would more appropriately affect the daily rates for corrective sanctions and aftercare, rather than facility care. The corrective sanctions daily rate would increase approximately \$2.70 in 1997-98 and \$2.04 in 1998-99. Juvenile aftercare daily rates would increase by \$0.69 in 1997-98 and \$0.74 in 1998-99.

11. Given the decline in juvenile populations and the associated increase in daily rates, it could also be argued that training needs should be addressed through the reallocation of base funding and positions, rather than by increasing funding in the 1997-99 biennium. The appropriate level of funding and positions could be transferred from the operating budget for secured correctional facilities.

ALTERNATIVES TO BASE

A. Division of Adult Institutions

1. Adopt the Governor's recommendation to provide \$73,600 GPR and \$27,800 PR in 1997-98 and \$53,000 GPR and \$31,000 PR in 1998-99 and 1.5 GPR and 1.0 PR positions annually for adult correctional training.

| <u>Alternative A1</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|------------------------------------|------------|-----------|--------------|
| 1997-99 FUNDING (Change to Base) | \$126,600 | \$58,800 | \$185,400 |
| [Change to Bill] | \$0 | \$0 | \$0] |
| 1998-99 POSITIONS (Change to Base) | 1.50 | 1.00 | 2.50 |
| [Change to Bill] | 0.00 | 0.00 | 0.00] |

2. Maintain current law.

| <u>Alternative A2</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|------------------------------------|-------------|------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$0 | \$0 | \$0 |
| [Change to Bill] | - \$126,600 | - \$58,800 | - \$185,400] |
| 1998-99 POSITIONS (Change to Base) | 0.00 | 0.00 | 0.00 |
| [Change to Bill] | - 1.50 | - 1.00 | - 2.50] |

B. Division of Juvenile Corrections (DJC)

1. Adopt the Governor's recommendation to provide \$178,600 PR in 1997-98 and \$183,700 PR in 1998-99 and 1.5 PR positions annually for DJC training for the community supervision of juveniles. Program revenue would be provided from an appropriation related to the operations of juvenile secured correctional facilities.

| <u>Alternative B1</u> | <u>PR</u> |
|------------------------------------|-----------|
| 1997-99 FUNDING (Change to Base) | \$362,300 |
| [Change to Bill] | \$0] |
| 1998-99 POSITIONS (Change to Base) | 1.50 |
| [Change to Bill] | 0.00] |

2. Provide \$114,100 PR and 1.0 PR position in 1997-98 and \$119,900 PR in 1998-99 to the corrective sanctions program and \$64,500 PR and 0.5 PR position in 1997-98 and \$63,800 PR in 1998-99 for the juvenile aftercare appropriation for DJC training for the community supervision of juveniles.

| <u>Alternative B2</u> | <u>PR</u> |
|------------------------------------|-----------|
| 1997-99 FUNDING (Change to Base) | \$362,300 |
| [Change to Bill] | \$0] |
| 1998-99 POSITIONS (Change to Base) | 1.50 |
| [Change to Bill] | 0.00] |

3. Transfer the following from the appropriation for juvenile operations of correctional services to provide for DJC training for the community supervision of juveniles: (a) \$114,100 PR and 1.0 PR position in 1997-98 and \$119,900 PR in 1998-99 to the corrective sanctions program appropriation; and (b) \$64,500 PR and 0.5 PR position in 1997-98 and \$63,800 PR in 1998-99 to the juvenile aftercare appropriation.

| <u>Alternative B3</u> | <u>PR</u> |
|------------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$0 |
| [Change to Bill] | - \$362,300] |
| 1998-99 POSITIONS (Change to Base) | 0.00 |
| [Change to Bill] | - 1.50] |

MO# AH 21033

| | | | |
|----------|---|---|---|
| JENSEN | Y | N | A |
| OURADA | Y | N | A |
| HARSDORF | Y | N | A |
| ALBERS | Y | N | A |
| GARD | Y | N | A |
| KAUFERT | Y | N | A |
| LINTON | Y | N | A |
| COGGS | Y | N | A |

4. Maintain current law.

| <u>Alternative B4</u> | <u>PR</u> |
|------------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$0 |
| [Change to Bill] | - \$362,300] |
| 1998-99 POSITIONS (Change to Base) | 0.00 |
| [Change to Bill] | - 1.50] |

| | | | |
|-----------|---|---|---|
| BURKE | Y | N | A |
| DECKER | Y | N | A |
| GEORGE | Y | N | A |
| JAUCH | Y | N | A |
| WINEKE | Y | N | A |
| SHIBILSKI | Y | N | A |
| COWLES | Y | N | A |
| PANZER | Y | N | A |

AYE 15 NO 5 ABS 1

Prepared by: Art Zimmerman

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Community Confinement and Control Pilot (Corrections -- Departmentwide)

[LFB Summary: Page 169, #18]

CURRENT LAW

The Department of Corrections is required to establish and operate a community residential confinement (CRC) program under which prisoners are confined in their places of residence or other places designated by the Department. The program is considered a correctional institution. Prisoners in CRC are: (a) considered inmates (as opposed to probationers or parolees); (b) subject to the rules and discipline of an institution; and (c) subject to all laws pertaining to inmates of other correctional institutions. Courts may not directly commit persons to CRC; Corrections determines who will be placed in the program. A prisoner is eligible for CRC only under all of the following conditions: (a) the prisoner is not serving a life sentence; and (b) the prisoner is eligible for parole or is serving a sentence that is not longer than three years. Corrections is required to use electronic monitoring for all CRC prisoners or confine the prisoner in supervised places designated by Corrections. The Department may, however, permit an inmate to leave confinement for employment, education or other rehabilitative activities.

GOVERNOR

Provide \$5,526,300 GPR in 1997-98 and \$6,436,800 GPR in 1998-99 and 68.5 GPR positions annually in the Department of Corrections to pilot test a community confinement and control program in Dane County, to include the Thompson Correctional Center at Deerfield. Allow the Department to sanction prisoners in CRC who violate the rules and conditions of confinement. Specify that one of the sanctions may be the performance of community service. Further, allow Corrections to use any method it considers appropriate to monitor inmates in CRC.

DISCUSSION POINTS

1. Funding and positions provided under the bill for the community confinement and control pilot would be used to study the feasibility of implementing a portion of the recommendations of the Governor's Task Force on Corrections, using the current authority granted Corrections under the community residential confinement (CRC) statutes, with some modifications. In its December, 1996, report, the Task Force proposed creating a new sentencing disposition, community confinement and control (CCC), which would consist of two parts: (a) confinement (in a jail, community correctional center, halfway house or transitional living unit), including electronic monitoring, urine screenings, 18 to 20 contacts a month with the offender or other persons (such as an employer), mandatory school, work or community service, and a supervision ratio of one agent for every 17 offenders; and (b) control, which would be identical to the confinement portion except the inmate would live in a residence. In general, under the Task Force's recommendations, judges could sentence a person convicted of a felony to prison, or to either the confinement or control portion of CCC. Persons sentenced to prison would have to go through CCC before being released on parole. Any offender sentenced to prison who violated a condition of CCC or parole could be returned to prison or CCC. Persons sentenced to CCC who violated a condition of CCC could also be returned to a more secure CCC setting or prison. The Task Force recommendation would eliminate probation as an alternative for felony offenses.

2. In order to control risk to the public, the Task Force recommended that the following principles be followed, both in correctional institutions and in the community:

a. While other purposes, such as punishing those deserving punishment, may be served by the correctional system, its principal focus ought to be the control of risk posed by offenders in particular places and at particular times.

b. The nature and degree of supervision and control of an offender should be directly related to the risk of harm he or she poses to others. By this the Task Force meant that correctional measures should be tailored to the nature and gravity of the harm, and the likelihood of it occurring in the absence of those measures.

c. Over time, change in the nature of the control and supervision exercised over offenders should be a function of changes in the risks they present, and if offenders are to be relieved from the more burdensome and restrictive measures (confinement, electronic tracking and drug testing) they must be required to "earn" that relief by work, education and other changes in behavior which show that risk is reduced.

d. Early intervention to control risk is essential. Correctional staff must have greater flexibility to change the terms of the state's correctional interventions -- even to the extent of temporarily confining offenders under community supervision whose behavior, while not constituting new crime, reveals a marked increase in risk.

e. The core of programming to control risk should include active supervision of offenders.

f. An important element of risk reduction is that offenders have strong connections to family members and other mature people who will help control their behavior. Active supervision requires that probation and parole agents work to help develop these connections.

3. According to Corrections, the Community Confinement and Control pilot program has the following goals:

a. Establish Dane County as a Task Force pilot project location by October 1, 1997.

b. Develop an active supervision concept in the community which coordinates with programming at the Thompson Correctional Center.

c. Develop a community supervision concept and model cooperatively with Dane County courts, prosecutors, public defenders, law enforcement, the county sheriff, local public officials and neighborhood representatives which emphasizes:

- Active community supervision;
- Stable residence, alcohol and other drug abuse (AODA) treatment and employment;
- Offender accountability and outcome-based case planning.

d. Redefine agent workload in order to increase public safety by allowing agents to focus on offender risk factors, distressed neighborhoods and reducing victimization;

e. Focus purchase of services expenditures to address the offender's critical success factors (employment, residence and AODA).

f. Develop an efficient and effective database to manage offender risk and allocate appropriate resources to offenders.

g. Develop an evaluation component.

4. Senate Bill 77 does not provide any detail on how the Community Confinement and Control project would operate. Rather, \$5,526,300 GPR in 1997-98 and \$6,436,800 GPR in 1998-99 and 68.5 GPR positions annually are provided and minor statutory changes are proposed to allow Corrections to pilot test the Task Force's concepts within the authority granted for the community residential confinement (CRC) program. (Although statutorily authorized, currently there are no offenders under CRC.) Corrections is in the process of developing components of the pilot. Corrections' preliminary plan has identified six components for which program details are being developed:

Early Intervention. Corrections intends to initiate a pre-trial bail monitoring program (by request of the court) and assign an agent liaison position to defense attorneys and assistant district attorneys requesting assistance prior to conviction. The liaison agent would provide information regarding community supervision expectations and correctional resource programs and availability.

Community Assessment and Evaluation. Community assessment and evaluation would measure an offender's risk to the public, and would result in a recommendation to the court on the level or nature of control needed to protect the public. In addition, a specific plan (with offender behavioral requirements and desired outcomes explicitly defined) would be presented to the court outlining proposed risk reduction interventions, including the supervision expectations and activities in the areas of residence, employment, treatment needs, existing family and/or positive support networks and victim/community restoration.

Active Supervision. The pilot would utilize active supervision that would: (a) require that all offenders engage in full-time "meaningful" activities (employment, an educational program, treatment or a community restoration project); (b) require agents working in neighborhoods to not only be responsible for the supervision of offenders, but also be responsible for reducing the risk characteristics of the neighborhood by participating in efforts such as crime prevention programs, local safety audits, community enhancement programs, neighborhood safety initiatives, victim mediation and reconciliation programs and community restoration projects; and (c) provide probation and parole agent staffing at a 17 offender to 1 agent ratio to allow for intensive supervision of offenders in the program.

Correctional Resources. The active supervision would be reserved for offenders who pose the greatest risk to the public. Low-risk offenders would be assigned to agents responsible for supervising large numbers of offenders whose responsibility would focus only on the court-ordered conditions. Under the pilot, Corrections plans to establish a day reporting center designed as a multi-purpose hub for offender activities. The center would also provide relapse prevention groups, restitution collection, life skills training, budgeting skills, on-site job placements, labor pools and employment readiness groups, GED and literacy programs, work experiences (community restoration projects), urine testing, criminal intervention programs, and day reporting services for offenders in violation of supervision rules.

Community Advisory Boards. Community advisory boards would be developed between Corrections and the community. The role of the boards would be determined by the needs of a specific location. Corrections indicates that a function of a community board might include a review of an offender's adjustment to supervision and a recommendation for an early discharge.

Thompson Correctional Center. The Thompson Correctional Center is a minimum-security center located in Deerfield, Wisconsin. Inmates currently housed there are from southern Wisconsin and participate primarily in work release activities. Under the pilot project, the center would be used for: (a) initial confinement for offenders sentenced to

confinement by the courts; (b) a transitional living facility; (c) short-term detention of violators; and (d) providing treatment in a confined setting. Corrections intends to provide treatment services for offenders at the Center by contracting for AODA programming, education and job readiness skills and job retention strategies. The pilot also provides funding for 25 transitional living beds to be used by offenders at the time of release into the community.

5. In order to develop the details of the pilot, Corrections has appointed 11 working groups to address the following issues: technology; community assessment and evaluation; risk management, classification and offender movement; purchase of services; the reporting center; program evaluation; the Thompson Correctional Center; budget and personnel; community supervision; a data clearinghouse; and legal issues. In addition, an executive group composed of a Dane County judge, the Dane County District Attorney, a representative of the Public Defender's Office, the Deerfield Town Chair, the Madison Mayor and Police Chief, the Oregon Police Chief, the Dane County Executive and Sheriff, a community member and two departmental representatives has also been formed. The working groups have begun meeting, but the executive group's first meeting is scheduled for May 29, 1997.

6. In order to implement the pilot program, two statutory changes to the current community residential confinement program are proposed under the bill. The first would allow the Department to sanction prisoners in CRC who violate the rules and conditions of confinement and would specify that one of the sanctions may be the performance of community service. Under the current CRC, there are no specific provisions that relate to the sanctioning of inmates. The second modification would allow Corrections to use any method it considers appropriate to monitor inmates in CRC. Currently, all inmates in CRC are required to be on electronic monitors.

7. The bill assumes that under the pilot program, the Thompson Correctional Center would have an average daily population of 110 inmates and that 375 offenders will be placed in the community on June 30, 1998, and 500 on June 30, 1999. The bill provides the following staffing for the CCC pilot: (a) 29.0 probation and parole agents; (b) 16.0 correctional officers, including 5.0 for work crews at Thompson and 1.0 supervising officer; (c) 11.5 clerical positions; (d) 3.0 probation and parole supervisors; (e) 4.0 positions for the business and records office; (f) 2.5 program assistants in the monitoring center; (g) 1.5 administrative support positions; and (h) 1.0 management information specialist.

8. Of the 68.5 GPR positions provided in the bill, the following 53.5 GPR positions would specifically work with offenders placed in the community: 29.0 probation and parole agents, 10.0 correctional officers, 9.5 program assistants, 2.0 program assistant supervisors and 3.0 correctional supervisors. The number of agents are based on providing one agent for every 17 offenders in the community. The remaining positions are derived in proportion to the number of agents or total staff (one officer for every three agents, approximately one program assistant for every three agents, one program assistant supervisor for every seven program assistants, and one correctional supervisor for every 12 employees). This staffing is consistent with staffing in

the intensive sanction program, which was staffed with field agents and correctional officers. However, the Committee should note that funding in the bill is based on 500 offenders annually in the community. Therefore, staffing could be aligned with the estimated number of offenders to be placed in the community (375 in 1997-98 and 500 in 1998-99). As a result, the bill could be reduced by \$471,100 GPR and 13.5 GPR positions in 1997-98 and \$25,900 GPR in 1998-99.

9. In SB 77, probation and parole and adult institution populations were not adjusted for offenders who would be placed in the community under the pilot program. The Department estimates that of the projected 375 offenders in the community in 1997-98 and 500 in 1998-99, 10% would have otherwise been in an adult institution and 90% would have been placed on probation or parole. If the Committee approves the community confinement and control pilot program, funding could be reduced by \$204,600 GPR and 9.5 GPR positions in 1997-98 and \$410,400 GPR and 12.0 GPR positions in 1998-99 associated with probation and parole, and \$57,900 GPR in 1997-98 and \$79,700 GPR in 1998-99 associated with adult institutions. If the CCC pilot is not created, these offenders would already be accounted for in population projections and no adjustment would be necessary.

10. The bill provides \$1,472,500 GPR in 1997-98 and \$1,891,000 GPR in 1998-99 for the purchase of services for inmates. These services, in general, would provide a continuation of treatment in community that the offender received while incarcerated and could include AODA treatment and counseling, psychological services, financial counseling, sex offender treatment, job preparation assistance and emergency housing. The exact services that would be provided would depend on an individual offender's needs. The Governor's Task Force indicated that targeted purchase of services funding was "critical" for the success of an offender in the program. The funding provided was based on that originally budgeted for the intensive sanctions program (\$3,100 per offender). The Committee should note that in calculating the necessary funding, Corrections included the 110 inmates anticipated to be in the Thompson Correctional Center. Given that purchase of services funding is to be utilized for offenders placed in the community, not the correctional center, it could be argued that funding of \$310,000 GPR in 1997-98 and \$341,000 GPR in 1998-99 could be deleted from the bill.

11. Inmates participating under the CRC program are required to pay a fee for electronic monitoring. Corrections' administrative rules specify that unless waived, a reasonable electronic monitoring fee determined by the Department shall be charged to each CRC participant. These revenues are deposited in an appropriation for the purchase of services for offenders. While the statutes and administrative rules require the charging of a fee, no revenue from the fee was included in the Governor's recommendation. Using Corrections' current monitoring hook-up charge and assuming that approximately 50% of the inmates will be charged, it is estimated that \$54,200 PR in 1997-98 and \$119,200 PR in 1998-99 will be generated from the monitoring fee for individuals placed in the pilot program. Program revenues could be used to replace GPR for the purchase of services by this amount.

12. The Committee should note that \$28,800 GPR in 1997-98 and \$32,100 GPR in 1998-99 and 1.0 personnel assistant position annually, originally associated with departmental budget requests not funded by the Governor, was inadvertently included. This position could be eliminated.

13. While a general framework for the program has been developed by Corrections, questions still remain regarding details of the program. For example:

- Will Dane County judges agree to accept the pilot and sentence according to its design?

- What input or modifications will other Dane County officials have for the pilot?

- How would the early intervention and community assessment and evaluation processes be designed and what will they include?

- How will an offender's risk be determined?

- What is the role of the reporting center and how will it be designed?

- What is the evaluation process for the pilot program?

14. According to Corrections, details regarding the program will be more fully developed as its working groups and the Dane County executive group proceeds with their actions. The Department's project timeline indicates that Corrections plans to begin operation of the pilot on September 29, 1997, with program development completed by various work groups by July, 1997, and training conducted during August and September, 1997.

15. It is not clear how the CCC pilot may fit with other correctional reform proposals, including the Governor's truth-in-sentencing proposal and the Governor's proposed commission on revising the criminal code, and whether the pilot would be inconsistent with those efforts. The Department indicates that there is no inconsistency. According to the Department, this pilot is designed to play an important role in the state's ongoing efforts to reduce crime and improve public safety. As such, the Department believes that the experience gained through the pilot will be of assistance in the development of other correctional reform efforts.

17. If the Committee agrees with the general framework of the community confinement and control pilot program, but has concerns regarding the current lack of operational details, funding, as modified above, could be placed in the Committee's supplemental appropriation for release upon review and approval of a report from the Department on: (a) how offenders would be sentenced to the pilot program and who would be eligible; (b) the community assessment and evaluation process; (c) the process that would be used to determine offender risk

classification and offender movement; (d) purchase of services for the program; (e) the role and location of the community reporting center; (f) how the pilot program would be evaluated and by when; (g) the role of the Thompson Correctional Center in the pilot program; and (h) how active community supervision would be implemented. Under this alternative, \$4,662,200 GPR in 1997-98 and \$5,918,600 GPR in 1998-99 could be placed in the Committee's supplemental appropriation. This alternative does not reduce funding and positions associated with adult institution and probation and parole populations, because the pilot would not yet be approved. In the Department's request for the release of funds, appropriate reductions in probation and parole and adult institutions funding could be proposed. Further, GPR position authority and PR expenditure authority could be provided by the Committee when the project is approved. This alternative would allow Corrections to continue the planning process for the CCC pilot, but provide for legislative review of the project prior to its initiation.

ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to provide \$5,526,300 GPR in 1997-98 and \$6,436,800 GPR in 1998-99 and 68.5 GPR positions annually in the Department of Corrections to pilot test a community confinement and control program at the Thompson Correctional Center at Deerfield. Allow the Department to sanction prisoners in the community residential confinement program (CRC) who violate the rules and conditions of confinement. Specify that one of the sanctions may be the performance of community service. Further, allow Corrections to use any method it considers appropriate to monitor inmates in CRC.

| <u>Alternative 1</u> | <u>GPR</u> |
|---|--------------|
| 1997-99 FUNDING (Change to Base) | \$11,963,100 |
| [Change to Bill] | \$0] |
| 1998-99 POSITIONS (Change to Base) | 68.50 |
| [Change to Bill] | 0.00] |

2. Approve the Governor's recommendation, but reduce funding by \$204,600 GPR and 9.5 GPR positions in 1997-98 and \$410,400 GPR and 12.0 GPR positions in 1998-99 associated with probation and parole populations that will be placed in the pilot program, and \$57,900 GPR in 1997-98 and \$79,700 GPR in 1998-99 associated with adult institutions populations placed in the program.

| <u>Alternative 2</u> | <u>GPR</u> |
|---|--------------|
| 1997-99 FUNDING (Change to Base) | \$11,210,500 |
| [Change to Bill | - \$752,600] |
| 1998-99 POSITIONS (Change to Base) | 56.50 |
| [Change to Bill | - 12.00] |

3. Approve the Governor's recommendation, but: (a) reduce funding by \$204,600 GPR and 9.5 GPR positions in 1997-98 and \$410,400 GPR and 12.0 GPR positions in 1998-99 associated with probation and parole populations that will be placed in the pilot program, and \$57,900 GPR in 1997-98 and \$79,700 GPR in 1998-99 associated with adult institutions populations placed in the program; (b) align staffing with the estimated number of offenders in the community and reduce funding by \$471,100 GPR in 1997-98 and \$25,900 GPR in 1998-99 and delay 13.5 GPR positions to 1998-99; (c) reduce purchase of services funding by \$310,000 GPR in 1997-98 and \$341,000 GPR in 1998-99 to reflect the estimated number of offenders in the community; (d) shift \$54,200 in 1997-98 and \$119,200 in 1998-99 from GPR to PR for purchase of services generated from the monitoring fee for individuals placed in the pilot program; and (e) delete \$28,800 GPR in 1997-98 and \$32,100 GPR in 1998-99 and 1.0 personnel assistant position annually associated with other departmental budget requests which were not funded.

| <u>Alternative 3</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|---|---------------|-----------|----------------|
| 1997-99 FUNDING (Change to Base) | \$9,828,200 | \$173,400 | \$10,001,600 |
| [Change to Bill | - \$2,134,900 | \$173,400 | - \$1,961,500] |
| 1998-99 POSITIONS (Change to Base) | 55.50 | 0.00 | 55.50 |
| [Change to Bill | - 13.00 | 0.00 | - 13.00] |

4. Place \$4,662,200 GPR in 1997-98 and \$5,918,600 GPR in 1998-99 in the Committee's supplemental appropriation associated with the community confinement and control pilot program. (This amount of funding reflects the changes to the Governor's recommendation made under Alternative 3, except no reduction is made associated with population adjustments.) Specify that funding could be released upon review and approval of a report from the Department on: (a) how offenders would be sentenced to the pilot program and who would be eligible; (b) the community assessment and evaluation process; (c) the process that would be used to determine offender risk classification and offender movement; (d) purchase of services for the program; (e) the role and location of the community reporting center; (f) how the pilot program would be evaluated and by when; (g) the role of the Thompson Correctional Center in the pilot program; and (h) how community supervision would be implemented. Allow the Department to sanction prisoners in community residential confinement (CRC) who violate the rules and conditions of confinement. Specify that one of the sanctions may be the performance of community service. Further, allow Corrections to use any method it considers appropriate to monitor inmates in CRC.

| Alternative 4 | | GPR |
|---|------------------|----------------|
| 1997-99 FUNDING (Change to Base) | | \$10,580,800 |
| | [Change to Bill] | - \$1,382,300] |
| 1998-99 POSITIONS (Change to Base) | | 0.00 |
| | [Change to Bill] | - 68.50] |

5. Take no action.

| Alternative 5 | | GPR |
|---|------------------|-----------------|
| 1997-99 FUNDING (Change to Base) | | \$0 |
| | [Change to Bill] | - \$11,963,100] |
| 1998-99 POSITIONS (Change to Base) | | 0.00 |
| | [Change to Bill] | - 68.50] |

Prepared by: Jere Bauer

see motion # 11662

| <u>MO#</u> | | | |
|------------|----|-----|---|
| JENSEN | Y | N | A |
| OURADA | Y | N | A |
| HARSDORF | Y | N | A |
| ALBERS | Y | N | A |
| GARD | Y | N | A |
| KAUFERT | Y | N | A |
| LINTON | Y | N | A |
| COGGS | Y | N | A |
| | | | |
| BURKE | Y | N | A |
| DECKER | Y | N | A |
| GEORGE | Y | N | A |
| JAUCH | Y | N | A |
| WINEKE | Y | N | A |
| SHIBILSKI | Y | N | A |
| COWLES | Y | N | A |
| PANZER | Y | N | A |
| | | | |
| AYE | NO | ABS | |

CORRECTIONS -- DEPARTMENTWIDE

Increased Probation and Parole Staffing
Substitute to Alternative 5 (Paper #293)

Motion:

Move to provide \$3,026,300 GPR in 1997-98 and \$3,936,800 GPR in 1998-99 and 101.75 GPR positions annually for increased probation and parole staffing in southeastern Wisconsin. Provide \$2,500,000 GPR annually for purchase of services for offenders.

Note:

This motion would provide \$3,026,300 GPR in 1997-98 and \$3,936,800 GPR in 1998-99 and 101.75 GPR positions annually for increased probation and parole staffing in southeastern Wisconsin to provide more intensive supervision. The motion would also provide \$2,500,000 GPR annually for purchase of services for offenders.

[Change to Base: \$11,963,100 GPR and 101.75 GPR positions]

[Change to Bill: 33.25 GPR positions]

MO#

1662

| | | | |
|----------|---|---|---|
| JENSEN | X | N | A |
| OURADA | X | N | A |
| HARSDORF | X | N | A |
| ALBERS | X | N | A |
| GARD | X | N | A |
| KAUFERT | X | N | A |
| LINTON | X | N | A |
| COGGS | X | N | A |

| | | | |
|-----------|---|---|---|
| BURKE | X | N | A |
| DECKER | X | N | A |
| GEORGE | Y | N | X |
| JAUCH | X | N | A |
| WINEKE | X | N | A |
| SHIBILSKI | Y | X | A |
| COWLES | X | N | A |
| PANZER | X | N | A |

AYE 14 NO 1 ABS 1

CORRECTIONS/ADMINISTRATION

Agencies Subject to Performance-Based Program Budgeting

Motion:

Move to amend the Committee's previous action requiring four state agencies to submit performance-based program budgets in the 1999-2001 biennium, to add a fifth agency, the Department of Corrections.

Note:

This motion would require the Department of Corrections to submit a performance-based program budget to the Department of Administration for the 1999-2001 biennial budget.

Under Motion #615, adopted by the Committee on May 7, 1997, DOT, DWD, DNR and DHFS would be required to submit performance-based program budgets to the Department of Administration for the 1999-2001 biennial budget. These agencies would be required to develop outcome measures for their programs and have those measures approved by DOA in connection with the biennial budget process. In addition, the budget requests would have to be organized in conformance with an agency's programs and the associated outcome measures as identified by the agency and approved by DOA. Performance-based program budgeting can generally be described as a budget decision process that is aimed at allocating budget resources to an agency based on the agency's goals and objectives and its performance results relative to the level of measured achievement of the agency in achieving program outcome goals. Future budget decisions may then be made based on agency performance relative to the program outcome measures.

MO# 3057

| | | | |
|----------|---|---|---|
| JENSEN | X | N | A |
| OURADA | X | N | A |
| HARSDORF | X | N | A |
| ALBERS | X | N | A |
| GARD | X | N | A |
| KAUFERT | X | N | A |
| LINTON | X | N | A |
| COGGS | Y | N | A |

| | | | |
|-----------|---|---|---|
| ZBURKE | X | N | A |
| DECKER | X | N | A |
| GEORGE | Y | N | X |
| JAUCH | X | N | A |
| WINEKE | X | N | A |
| SHIBILSKI | X | N | A |
| COWLES | X | N | A |
| PANZER | X | N | A |

AYE 14 NO 1 ABS 1

CORRECTIONS

Departmentwide

LFB Summary Items for Which No Issue Papers Have Been Prep

MO# Items

Item #

Title

- | | |
|--|--|
| { 1 2 3 5 6 7 8 12 13 15 | Standard Budget Adjustments Fuel and Utility Reestimates Full-Funding of Non-Salary Costs Program Revenue Employee Compensation Environmental Cleanups Payments for Municipal Services Risk Management Position Conversion Information Technology -- Medical Services Project Information Technology -- Victim Notification System Reorganization of Department |
|--|--|

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1421 1422 1423 1424 1425 1426 1427 1428 1429 1430 1431 1432 1433 1434 1435 |
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Corrections

Adult Institutions

(LFB Budget Summary Document: Page 175)

LFB Summary Items for Which Issue Papers Have Been Prepared

| <u>Item #</u> | <u>Title</u> |
|---------------|--|
| 1 | Inmate Population Adjustments (Paper #300) |
| 2,9,10 | |
| 11,14,15 | Prison Staffing and University Hospital Waiting Room Security (Paper #301) |
| 4 | Supplies and Services -- 1995 Act 27 Reduction Offset (Paper #302) |
| - | Minor Policy and Technical Changes -- Federal Contract Beds (Paper #303) |
| 5 | Contract for Private Prison Space in Other States (Paper #304) |
| 6 | Racine Youthful Offender Correctional Facility (Paper #305) |
| 8 | Security Staff for the Wisconsin Resource Center (see Paper #460) |
| 19 | Highway Landscaping Project (see Paper #583) |
| 20 | Specialized Training and Employment Program (Paper #306) |
| 23 | Private Industry/Prison Employment Program (Paper #307) |
| 24,25(part) | Private Industry/Prison Employment Program Expansion (Paper #308) |
| 25(part) | Badger State Industries (Paper #309) |
| 27 | Minor Policy and Technical Changes -- Internal Services Charges (Paper #310) |

To: Joint Committee on Finance
From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE**Inmate Population Adjustments (Corrections -- Adult Institutions)**

[LFB Summary: Page 175, #1]

CURRENT LAW

Base level funding for inmate-related costs (food, health care, clothing, inmate wages and other supplies) is \$39,782,900 GPR annually.

GOVERNOR

Population Adjustments. Provide \$1,867,900 GPR in 1997-98 and \$7,400,700 GPR in 1998-99 for inmate-related costs in facilities operated by the Division of Adult Institutions and the Division of Community Corrections.

Contracting for Food Services. Reduce funding for inmate food costs by \$100,000 GPR annually to reflect the contracting out of food services.

Inmate Health Costs. Reduce funding for inmate health care costs by \$500,000 GPR in 1997-98 and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. Create nonstatutory language requiring Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

DISCUSSION POINTS

Population Estimates

1. The budget assumes that prison populations will average 15,308 in 1997-98 and 17,873 in 1998-99. This represents a 20.3% increase in 1997-98, and a 16.8% increase in 1998-99. The actual prison population on May 9, 1997, was 13,728.

2. Costs per inmate used by the Governor in Senate Bill 77 are substantially similar to that under current law (\$3,126 in 1996-97, \$3,132 in 1997-98 and \$3,187 in 1998-99). Increases in the per inmate costs represent a 1.75% annual increase between 1997-98 and 1998-99. As a result of the estimated populations, the Governor recommended an increase of \$1,867,900 GPR in 1997-98 and \$7,400,700 GPR in 1998-99 for inmate-related costs.

3. On March 11, 1997, the Department of Administration indicated that errors had occurred in the calculation of inmate population costs included in the bill, but that using Corrections' population projections through December, 1996 (released in March, 1997), the errors could be offset by the inclusion of an additional \$1,704,100 GPR in 1997-98 and \$2,270,400 GPR in 1998-99. The later population projections used by the Governor estimate average prison populations of 14,759 in 1997-98 and 16,720 in 1998-99. The Department has indicated that more recent population projects will be higher than those used by DOA, but that no additional funding will be requested.

Contracting for Food and Health Services

4. Senate Bill 77 reduces funding for inmate food costs by \$100,000 GPR annually to reflect the contracting out of food services, and reduces funding for inmate health care costs by \$500,000 GPR in 1997-98 and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. Base level funding for food is \$14,734,100 GPR; base funding for health services is \$13,270,000 GPR. Using the reestimated populations from above, total funding for food would be \$13,578,400 GPR in 1997-98 and \$15,922,700 GPR in 1998-99; health services would be \$15,084,500 GPR in 1997-98 and \$17,237,300 GPR in 1998-99. The bill also creates nonstatutory language requiring Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

5. The Department of Administration indicates that the funding reductions in the bill represent anticipated cost savings that will occur by contracting out some food service operations and instituting managed health care in the correctional institutions. These savings, however, are not based on any specific number of inmates being served or any specified cost reductions within the Department. The budget lines that are reduced in the bill associated with food and health

care cost savings are the same line that will be used to support contracted costs. As a result, Corrections would need to transfer funding within the appropriation to pay for contract costs. It has not yet been determined how contracted services would be funded within the appropriation or how the services would be implemented.

6. With regard to the reduction in health services costs, it could be argued that any reduction in costs is premature, given that the bill requires Corrections to contract with a consulting firm to study the most cost-effective method to distribute medication and the feasibility of contracting with a private health care organization for managed health care services for prisoners. If the feasibility of managed care has not been determined, questions can be raised as to why cost reductions are being made in advance of the study. As a result, the Committee may wish to maintain current law regarding the health care cost reductions, but approve the feasibility study.

7. DOA and Corrections have indicated that the costs of food service and health care services will be managed within the resources provided in the budget.

ALTERNATIVES TO BASE

A. Population Reestimate

1. Approve the Governor's recommendation, as modified by the Department of Administration on March 11, 1997, to provide \$3,572,000 GPR in 1997-98 and \$9,671,100 GPR in 1998-99 for inmate-related costs in facilities operated by the Division of Adult Institutions and the Division of Community Corrections. Budgeted prison populations would be 14,759 in 1997-98 and 16,720 in 1998-99.

| <u>Alternative A1</u> | <u>GPR</u> |
|----------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$13,243,100 |
| [Change to Bill | \$3,974,500] |

B. Contracting for Food and Health Services

see motion #1060

1. Approve the Governor's recommendation to reduce funding for inmate food costs by \$100,000 GPR annually to reflect the contracting out of food services, and reduce funding for inmate health care costs by \$500,000 GPR in 1997-98 and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. In addition, require Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to

study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

| <u>Alternative B1</u> | <u>GPR</u> |
|----------------------------------|---------------|
| 1997-99 FUNDING (Change to Base) | - \$2,600,000 |
| [Change to Bill] | \$0] |

2. Approve the Governor's recommendation, except maintain current funding level related to the proposed reduction in health care costs.

| <u>Alternative B2</u> | <u>GPR</u> |
|----------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | - \$200,000 |
| [Change to Bill] | \$2,400,000] |

3. Maintain current law.

| <u>Alternative B3</u> | <u>GPR</u> |
|----------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$0 |
| [Change to Bill] | \$2,600,000] |

Prepared by: Jere Bauer

MO# Alt # A1

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| 1 JENSEN | <input checked="" type="checkbox"/> | N | A |
| OURADA | <input checked="" type="checkbox"/> | N | A |
| HARSDORF | <input checked="" type="checkbox"/> | N | A |
| ALBERS | <input checked="" type="checkbox"/> | N | A |
| GARD | <input checked="" type="checkbox"/> | N | A |
| KAUFERT | <input checked="" type="checkbox"/> | N | A |
| LINTON | <input checked="" type="checkbox"/> | N | A |
| COGGS | <input checked="" type="checkbox"/> | N | A |

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| 2 BURKE | <input checked="" type="checkbox"/> | N | A |
| DECKER | <input checked="" type="checkbox"/> | N | A |
| GEORGE | <input checked="" type="checkbox"/> | N | A |
| JAUCH | <input checked="" type="checkbox"/> | N | A |
| WINEKE | <input checked="" type="checkbox"/> | N | A |
| SHIBILSKI | <input checked="" type="checkbox"/> | N | A |
| COWLES | <input checked="" type="checkbox"/> | N | A |
| PANZER | <input checked="" type="checkbox"/> | N | A |

AYE 15 NO 0 ABS 1

CORRECTIONS -- ADULT INSTITUTIONS

Inmate Population Adjustments
 Substitute to Alternative B1 (Paper #300)

Motion:

Move to reduce funding for inmate health care costs by ~~\$500,000 GPR in 1997-98~~ and \$1,900,000 GPR in 1998-99 to reflect the use of managed health care. In addition, require Corrections to use \$60,000 in 1997-98 from the Department's general program operations appropriation to contract with a consulting firm to study the most cost-effective method to distribute medication to prisoners and the feasibility of contracting with a private health care organization for managed health care services for prisoners.

Note:

This motion would approve the Governor's recommendation related to the reduction in funding associated with the contracting out of inmate health care (~~\$500,000 GPR in 1997-98~~ and \$1,900,000 GPR in 1998-99), but would eliminate the proposed funding reduction associated with the contracting out of food services (\$100,000 GPR annually).

[Change to Base: ^{-1,900,000 GPR} -\$2,400,000 GPR]
 [Change to Bill: \$200,000 GPR]

MO# 1660

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| JENSEN | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| OURADA | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| HARSDORF | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ALBERS | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| GARD | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| KAUFERT | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| LINTON | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| COGGS | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
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| BURKE | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| DECKER | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| GEORGE | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| JAUCH | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| WINEKE | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| SHIBILSKI | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| COWLES | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| PANZER | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
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| AYE | <u>11</u> | NO | <u>4</u> | ABS |

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Prison Staffing (Green Bay, Oakhill, Racine and Columbia) and University Hospital Waiting Room Security (Corrections -- Adult Institutions)

[LFB Summary: Page 176, #2, Page 181, #9, #10 and #11 and Page 183, #14 and #15]

CURRENT LAW

Three correctional institutions are scheduled to complete the following expansions during the 1997-99 biennium: (a) Green Bay Correctional Institution, a 108-bed segregation unit and an inmate processing unit in October, 1998; (b) Oakhill Correctional Institution, a 48-bed segregation unit and a new administration building in October, 1998; and (c) Racine Correctional Institution, a remodelled 46-bed housing unit in September, 1997. In addition, a separate, secure inmate waiting area at the University Hospital and Clinics is scheduled to open in October, 1997.

GOVERNOR

Provide the following GPR funding and positions for each of the institutions.

| <u>Institution</u> | <u>1997-98 Funding</u> | <u>1998-99 Funding</u> | <u>1998-99 Positions</u> |
|--------------------|----------------------------|----------------------------|------------------------------|
| Green Bay | \$0 | \$1,234,100 | 36.65 |
| Oakhill | 0 | 613,700 | 19.40 |
| Racine | 256,800 | 273,700 | 8.20 |
| UW Hospital | <u>91,600</u> | <u>100,200</u> | <u>3.00</u> |
| Total | \$348,400 | \$2,221,700 | 67.25 |

In addition, provide \$33,400 GPR in 1997-98 and \$37,900 GPR in 1998-99 with 1.0 GPR position annually at the Columbia Correctional Institution for increased inmate complaint investigation workload.

DISCUSSION POINTS

Staffing Associated with Facility Expansions

1. In the 1995-97 biennial budget, the construction of a 108-bed segregation unit and a new inmate processing center at the Green Bay Correctional Institution was authorized at \$10.2 million. The 1995-97 biennial budget also authorized \$7.8 million for the construction of a 48-bed segregation unit and an expansion of the administration building at the Oakhill Correctional Institution. During the 1995-97 biennium, the Building Commission approved a remodeling project at Racine to replace an existing 16-bed unit with a 46-bed unit and the construction of the inmate waiting room at the University of Wisconsin Hospitals and Clinics in Madison.

2. In reviewing the staffing at each of the institutions, it appears, based on current institutional staffing levels, staffing at similar institutions and projected opening dates, that the following reductions could be considered:

- Green Bay--Senate Bill 77 provides \$1,234,100 GPR and 36.65 GPR positions in 1998-99 for the opening of the segregation and processing unit based on a project completion date of October, 1998. Completion of the construction project is currently estimated to be March, 1999. In addition, adjustments may be made to make startup costs between institutions consistent and to properly reflect the staffing of correctional officer positions. Finally, the bill provides 1.0 social worker position, 1.0 crisis intervention worker and 0.5 psychologist position. The Department indicates that the planned duties of the crisis intervention worker and the psychologist are relatively similar, and the social worker would perform inmate program reviews. Given that the crisis intervention worker and psychologist positions appear to be duplicative, 0.5 psychologist position could be deleted.

- Oakhill--Senate Bill 77 provides \$613,700 GPR and 19.40 GPR in 1998-99 for the opening of the segregation unit and the new administration building based on a project completion date of October, 1998. Completion of the construction project is currently estimated to be March, 1999. In addition, adjustments may be made to make startup costs between institutions consistent and to properly reflect the staffing of correctional officer positions. Further, the bill provides 0.5 financial assistant in the business office. Based on the number of inmates at the Oakhill Institution and staffing at other institutions, this position could be deleted.

- Racine--Senate Bill 77 provides \$256,800 GPR in 1997-98 and \$273,700 GPR in 1998-99 with 8.2 GPR positions annually for the opening of the expanded housing unit, based

on a project completion date of September, 1997. Completion of the construction project is currently estimated to be March, 1998. In addition, adjustments may be made to make startup costs between institutions consistent and to properly reflect the staffing of correctional officer positions.

• UW Hospital Waiting Room--Senate Bill 77 provides \$91,600 GPR in 1997-98 and \$100,200 GPR in 1998-99 with 3.0 GPR positions annually for the opening of the waiting room, based on a project completion date of October, 1997. Completion of the construction project is currently estimated to be March, 1998.

3. These changes would result in reductions to the bill of -\$746,600 GPR and -1.71 GPR positions over the 1997-99 biennium. These modifications are shown below.

Change to SB 77

| <u>Institution</u> | <u>1997-89</u> | <u>1998-99</u> | <u>1998-99 Positions</u> |
|--------------------|----------------|----------------|------------------------------|
| Green Bay | \$0 | -\$416,100 | -0.56 |
| Oakhill | 0 | -183,800 | -0.60 |
| Racine | -103,900 | -2,000 | -0.05 |
| UW Hospital | <u>-32,200</u> | <u>0</u> | <u>0.00</u> |
| Total Reduction | -\$136,100 | -\$601,900 | -1.21 |

Change to Base

| | | | |
|-------------|---------------|----------------|-------------|
| Green Bay | \$0 | \$818,000 | 36.09 |
| Oakhill | 0 | 429,900 | 18.80 |
| Racine | 152,900 | 271,700 | 8.15 |
| UW Hospital | <u>59,400</u> | <u>100,200</u> | <u>3.00</u> |
| Total | \$212,300 | \$1,619,800 | 66.04 |

Inmate Complaint Investigator

4. The duties of an inmate complaint investigator are to: (a) recommend the disposition of inmates' complaints on Institution rules, policies, practices and staff actions; (b) implement the Warden's decisions or directives regarding inmate complaints; (c) keep records of inmate complaints; (d) provide orientation for inmates and staff to the institution and rules; (e) hear disciplinary appeals as directed by the Warden; and (f) provide training for staff regarding their advocate role in inmate due process. The Division of Adult Institutions currently

has 17.5 inmate complaint investigators in eleven correctional institutions. In addition, Waupun Correctional Institution has 1.0 inmate complaint supervisor. The bill provides an additional 1.0 complaint investigator for the Columbia Correctional Institution. Based on current inmate-to-complaint investigator ratios, Columbia has the highest ratio of complaint investigators for a maximum security institution, with one investigator for 684 inmates, compared to 408 at Waupun, 461 at Green Bay and 600 at Dodge. Given the ratio, an additional position could be provided.

5. Alternatively, it could be argued that if Corrections reallocated 0.5 of an investigator position from another institution, Columbia's ratio would decrease to 456.

ALTERNATIVES TO BASE

A. Prison Staffing

1. Approve the Governor's recommendation to provide \$348,400 GPR and 11.2 GPR positions in 1997-98 and \$2,221,700 GPR and 67.25 GPR positions in 1998-99 for increased prison staffing at the Green Bay, Oakhill and Racine Correctional Institutions, and for the new inmate waiting room at the University of Wisconsin Hospital and Clinics.

| <u>Alternative A1</u> | <u>GPR</u> |
|------------------------------------|-------------|
| 1997-99 FUNDING (Change to Base) | \$2,570,100 |
| [Change to Bill] | \$0] |
| 1998-99 POSITIONS (Change to Base) | 67.25 |
| [Change to Bill] | 0.00] |

2. Provide \$212,300 GPR and 11.15 GPR positions in 1997-98 and \$1,619,800 GPR and 66.04 GPR positions in 1998-99 to reflect: (a) delayed construction completion dates; (b) adjustments to make startup costs between institutions consistent and to reflect the staffing of correctional officer positions; and (c) the reestimation of staffing needs based on similar institutions.

| <u>Alternative A2</u> | <u>GPR</u> |
|------------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$1,832,100 |
| [Change to Bill] | - \$738,000] |
| 1998-99 POSITIONS (Change to Base) | 66.04 |
| [Change to Bill] | -1.21] |

B. Inmate Complaint Investigator

1. Approve the Governor's recommendation to provide \$33,400 GPR in 1997-98 and \$37,900 GPR in 1998-99 with 1.0 GPR position annually at the Columbia Correctional Institution for increased inmate complaint investigation workload.

| <u>Alternative B1</u> | <u>GPR</u> |
|--|------------------|
| 1997-99 FUNDING (Change to Base) [Change to Bill] | \$71,300 \$0] |
| 1998-99 POSITIONS (Change to Base) [Change to Bill] | 1.00 0.00] |

2. Take no action.

| <u>Alternative B2</u> | <u>GPR</u> |
|--|--------------------|
| 1997-99 FUNDING (Change to Base) [Change to Bill] | \$0 - \$71,300] |
| 1998-99 POSITIONS (Change to Base) [Change to Bill] | 0.00 - 1.00] |

Prepared by: Jere Bauer

MO# AH#A2

| | | | |
|-----------|--------------|----|--------------|
| JENSEN | Y | N | A |
| OURADA | Y | N | A |
| HARSDORF | Y | N | A |
| ALBERS | Y | N | A |
| GARD | Y | N | A |
| KAUFERT | Y | N | A |
| LINTON | Y | N | A |
| COGGS | Y | N | A |
| | | | |
| BURKE | Y | N | A |
| DECKER | Y | N | A |
| GEORGE | Y | N | A |
| JAUCH | Y | N | A |
| WINEKE | Y | N | A |
| SHIBILSKI | Y | N | A |
| COWLES | Y | N | A |
| PANZER | Y | N | A |
| | | | |
| AYE | <u>14</u> | NO | <u>1</u> |
| | | | ABS <u>1</u> |

MO# AH#B1

| | | | |
|-----------|--------------|----|--------------|
| JENSEN | Y | N | A |
| OURADA | Y | N | A |
| HARSDORF | Y | N | A |
| ALBERS | Y | N | A |
| GARD | Y | N | A |
| KAUFERT | Y | N | A |
| LINTON | Y | N | A |
| COGGS | Y | N | A |
| | | | |
| BURKE | Y | N | A |
| DECKER | Y | N | A |
| GEORGE | Y | N | A |
| JAUCH | Y | N | A |
| WINEKE | Y | N | A |
| SHIBILSKI | Y | N | A |
| COWLES | Y | N | A |
| PANZER | Y | N | A |
| | | | |
| AYE | <u>11</u> | NO | <u>4</u> |
| | | | ABS <u>1</u> |

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Supplies and Services -- 1995 Act 27 Reduction Offset (Corrections -- Adult Institutions)

[LFB Summary: Page 177, #4]

CURRENT LAW

In 1995 Act 27, program revenue funding of \$3.2 million was provided in 1996-97 for supplies and services, with a corresponding decrease of \$3.2 million GPR. Program revenue is generated through charges to inmates employed in the private industry/prison employment program.

GOVERNOR

Provide \$2,690,400 GPR annually for supplies and services in the adult correctional institutions to offset funding reductions made in the 1995-97 biennial budget.

DISCUSSION POINTS

1. The private business/prison employment program was created in 1995 Act 27. Under the program, up to three private businesses may utilize inmate labor and prison space to manufacture products or components or to provide services for sale on the open market. A portion of inmate wages is retained by Corrections to offset state costs. Corrections estimated that the retained inmate wages would generate \$3.2 million in 1996-97. During the agency's biennial budget briefing before the Committee, the Department of Corrections indicated that it was confident that the estimated revenue could be realized. As a result, the Legislature created

a PR general program operations appropriation in Corrections, provided an additional \$3.2 million in PR expenditure authority in 1996-97 and reduced the Department's GPR appropriation for supplies and services by a corresponding amount.

2. The Department of Corrections has \$5,123,600 budgeted in 1996-97 for supplies and services in the adult correctional institutions. These costs are funded from GPR (\$1,923,600) and PR (\$3,200,000). Supplies and services budgets are allocated by Corrections to each correctional institution. Costs funded from supplies and services include security supplies, telephone costs, educational supplies, law library costs and travel expenses. In addition to these costs, each institution receives a general allocation based on projected inmate populations to fund general administrative expenses and some program activities. These costs include insurance, data processing, printing, office supplies, housekeeping supplies, and employe uniforms and glasses.

3. Corrections estimates that the private industry/prison employment program will generate \$509,600 PR in 1997-98 and 1998-99 in inmate wages. The recommended \$2,690,400 GPR annually would provide the difference in funding between anticipated revenues and \$3.2 million.

4. Given that program revenue from inmate wages to support supplies and services costs is significantly less than Corrections originally estimated, it can be argued that increased funding should be provided. If increased funding is not provided and program revenues do not exceed projected amounts, the Department has indicated that reductions in other portion of the budget would be necessary and could include a reduction in services for staff and inmates, delays in purchases, on-going repairs and equipment replacement, or holding positions vacant. The Committee should note that the Department intends to submit a s. 13.10 request in June, 1997, to address the supplies and services shortfall in 1996-97.

5. As a technical matter, program revenue expenditure authority associated with supplies and services should be reduced by an amount corresponding to the GPR increase (\$2,690,400 PR annually).

MODIFICATION TO BASE

Approve the Governor's recommendation to provide \$2,690,400 GPR annually, as technically modified to remove a corresponding amount of program revenue funding, for supplies and services in the adult correctional institutions to offset funding reductions made in the 1995-97 biennial budget.

| <u>Modification</u> | <u>GPR</u> | <u>PR</u> | <u>TOTAL</u> |
|----------------------------------|-------------|---------------|----------------|
| 1997-99 FUNDING (Change to Base) | \$5,380,800 | - \$5,380,800 | \$0 |
| [Change to Bill] | \$0 | - \$5,380,800 | - \$5,380,800] |

Prepared by: Jere Bauer

PAPER
902

MO# Modification

TO GAGE

| | | | |
|----------|---|---|---|
| 1 JENSEN | X | N | A |
| OURADA | X | N | A |
| HARSDORF | X | N | A |
| ALBERS | X | N | A |
| GARD | X | N | A |
| KAUFERT | X | N | A |
| LINTON | X | N | A |
| COGGS | Y | X | A |

| | | | |
|-----------|---|---|---|
| 2 BURKE | X | N | A |
| DECKER | X | N | A |
| GEORGE | Y | N | X |
| JAUCH | X | N | A |
| WINEKE | X | N | A |
| SHIBILSKI | X | N | A |
| COWLES | X | N | A |
| PANZER | X | N | A |

AYE 14 NO 1 ABS 1

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Minor Policy and Technical Changes -- Federal Contract Beds (Corrections -- Adult Institutions)

GOVERNOR

No provision.

BASE

MODIFICATION TO BILL

Create statutory language clarifying that Corrections has the authority to pay for contracted beds provided by the federal government from the current correctional contracts appropriation.

Explanation: In March, 1997, the Joint Committee on Finance, under s. 13.10, transferred funding for the federal beds from the correctional contract appropriation to the Department's general program operations appropriation, because it was noted that, while Corrections could contract with the federal government for prison beds, the Department did not have specific statutory authority to pay for those beds from the contract appropriation. At the time, it was stated that statutory language could be modified in the 1997-99 budget to clarify this matter.

Prepared by: Jere Bauer

Modification to BASE

| MO# | | | |
|----------|---|---|---|
| JENSEN | X | N | A |
| OURADA | X | N | A |
| HARSDORF | X | N | A |
| ALBERS | X | N | A |
| GARD | X | N | A |
| KAUFERT | X | N | A |
| LINTON | X | N | A |
| COGGS | X | N | A |

| | | | |
|-----------|---|---|---|
| BURKE | X | N | A |
| DECKER | X | N | A |
| GEORGE | Y | N | A |
| JAUCH | X | N | A |
| WINEKE | X | N | A |
| SHIBILSKI | X | N | A |
| COWLES | X | N | A |
| PANZER | X | N | A |

AYE 15 NO 0 ABS 1

To: Joint Committee on Finance
From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Contract for Private Prison Space in Other States (Corrections -- Adult Institutions)

[LFB Summary: Page 177, #5]

CURRENT LAW

Under current law, Corrections may contract with other states or political subdivisions of other states for the transfer and confinement of Wisconsin prisoners in facilities that are publicly owned and operated. If the contract involves the transfer of more than 10 prisoners in any fiscal year, Corrections may enter into the contract only if the contract is approved by the Legislature by law or by the Joint Committee on Finance.

GOVERNOR

Provide \$8,212,500 GPR annually to allow Corrections to contract with private providers for prison beds in other states. Create statutory language allowing Corrections to contract with a private corporation for prison beds in other states. Create a separate, annual appropriation for contracts with private prisons.

DISCUSSION POINTS

1. Under the bill, statutory language is created that would allow Corrections to contract with a private corporation for prison beds in other states. The Department would be allowed to enter into one or more contracts. Each contract would be required to contain all of the following provisions:

- a termination date;
- the costs of prisoner maintenance, extraordinary medical and dental expenses and any participation in rehabilitative or correctional services, facilities, programs or treatment;
- specifications regarding any participation in programs of prisoner employment, the disposition or crediting of any payments received by prisoners, and the crediting of proceeds from any products resulting from employment;
- specifications regarding the delivery and retaking of prisoners;
- regular reporting procedures concerning prisoners by the private corporation;
- procedures for probation, parole and discharge;
- the use of the same standards of reasonable and humane care as the prisoners would receive in a Wisconsin institution; and
- any other matters determined to be necessary and appropriate regarding the obligations, responsibilities and rights of Wisconsin and the private company.

In addition, the bill specifies that while in a private contract facility in another state, Wisconsin prisoners would be subject to all provisions of law and regulation concerning the confinement of persons in that institution under the laws of the state where the private institution is located. Further, any parole hearing for a prisoner confined under a contract would be conducted by the Wisconsin Parole Commission.

The funding provided under the bill (\$8,212,500 GPR annually) assumes that 500 beds will be purchased for a full year at \$45 per day per bed.

2. On September 26, 1996, under s. 13.10, the Committee approved a contract that would allow the transfer of up to 700 inmates to Texas county jails at a cost of \$39.96 per day per bed. On March 27, 1997, the Committee transferred \$1.1 million within Corrections to fund a new contract for 330 prison beds with the Federal Bureau of Prisons facilities at Duluth, Minnesota and Oxford, Wisconsin. As of May 9, 1997, Wisconsin had placed 430 inmates in Texas county jails and 154 at the federal prison in Duluth.

3. With regard to the issue of allowing Corrections to contract with private providers, the Committee needs to address two separate, but related, questions: Should the statutory language allowing contracts with private prisons be created? If contracting is allowed, what level of funding should be provided? These issues are addressed in the sections below.

Contracting with Private Providers

4. The statutory provisions included in SB 77 to allow contracting with private prisons is substantially similar to current law provisions allowing Corrections to contract for prison space in other states, except that contracts with private prisons would not require that the Legislature or the Joint Committee on Finance approve the contract. Under current law, if the contract with another state or political subdivision involves the transfer of more than 10 prisoners in any fiscal year, Corrections may enter into the contract only if the contract is approved by the Legislature by law or by the Joint Committee on Finance. As under current law, contracts with private companies for prison beds would not have to follow current state procurement requirements or current Corrections' standards for the purchase of services for offenders.

5. Corrections argues that, in order to relieve crowding in existing state prison facilities, the ability to contract for prison bed space is necessary. To address the question of state prison capacity, Corrections has by policy defined the operating capacity of the prison system as the lesser of: (a) the number of inmates that a correctional institution can house; or (b) an institution's capacity to provide non-housing functions such as food service, medical care, recreation, visiting, inmate programs, segregation housing and facility administration. Medical services and segregation beds (single cells for inmates removed from the general population for behavioral or security reasons) are not counted in housing capacity. Housing capacity is defined as: (a) one inmate per cell at maximum security facilities, with a 2% cell vacancy rate; and (b) up to 20% double occupancy of cells in medium security facilities existing as of July 1, 1991, or 50% double occupancy of cells in medium security facilities constructed after July 1, 1991. No specific standard has been established for minimum security institutions, but capacities have been determined on an institution-by-institution basis. Corrections' operating capacity figures also include contracted county jail beds.

6. As of May 9, 1997, Corrections' identified operating capacity was 9,538 inmates. This figure included 441 contract beds. The actual number of inmates in contract beds (in Wisconsin and Texas county jails, and federal facilities) was 934.

7. A number of points should be made regarding the concept of operating capacity. First, the current capacity figures do not include 1,050 beds that were recently constructed in barracks units at six correctional institutions. Inclusion of these beds, all of which are scheduled to be available by July, 1997, will increase Corrections' defined operating capacity to 10,588. The capacity figures also do not include additions to operating capacity that are the result of current construction projects expected to be completed during the 1997-99 biennium. If these beds are added, the operating capacity figure would increase by 855 beds to 11,443 beds. In addition, since operating capacity figures for jail contracts do not reflect actual experience, capacity is understated. Further, operating capacity figures do not include the "supermax" facility (500 beds scheduled to open in 1999), the temporary use of the Prairie du Chien juvenile facility as an adult institution in 1997-98 (277 beds) or additional beds proposed in 1997-99 capital budget (1,200 additional beds, excluding 400 beds proposed for a probation and parole hold

facility). Finally, to the extent that Corrections exceeds the percentages of double-occupied cells or redefines any of the terms used in its operating capacity definition, additional inmates can be accommodated.

8. In 1993 Act 16, Corrections was required to promulgate administrative rules providing limits on the number of prisoners at all state prisons. The Act required Corrections to include systemwide limits and limits for each prison, except that a single limit could be established for the minimum-security correctional centers. Further, procedures to exceed any systemwide, institution or center system limit in an emergency situation could be created. As of May, 1997, this rule had not been promulgated.

9. Given that Corrections has not adopted an administrative rule on operating capacity and, under Corrections' policy, operating capacity could be limited by various non-housing factors, it can be argued that housing limits are the principal factor in determining prison capacity. Using the Department's current definition of housing capacity, and assuming that contracts with Wisconsin and Texas counties and the federal government continue, Corrections would have a prison capacity of 13,423 in January, 1998, and 13,971 in January, 1999. Based on prison populations assumed under Senate Bill 77 (as modified by DOA on March 11, 1997, in a letter to the Committee), average daily prison populations will be 14,759 in 1997-98 and 16,720 in 1998-99.

10. Based on the above capacity and population figures, it is estimated that approximately an additional 1,330 beds in 1997-98 and 2,750 in 1998-99 would be necessary above current capacity. The difference between prison capacity and the projected populations will need to be addressed through increased double occupancy of cells beyond the defined limits of housing capacity, new construction and increased contracted prison or jail space.

11. It can be argued that allowing Corrections the ability to contract with private providers gives the Department some added flexibility to address fluctuating prison capacity needs. Further, if private contractors have space available, this space can be provided more quickly than through prison construction, thus allowing Corrections the ability to meet short-term capacity needs without incurring long-term costs of an additional facility.

12. If the Committee wishes to allow Corrections to contract with private providers, any of the following changes could be made to the proposed statutory language:

- The bill would limit the private providers with whom Corrections could contract to providers in other states. As a result, if a private provider wished to establish a prison in Wisconsin, the Department would be prohibited from contracting with that provider. If the Committee wishes, the language could be modified to allow contracts with Wisconsin-based contractors. (There are currently no private providers of prison beds located in Wisconsin.)

• Under current law, the Legislature has review and approval authority over contracts that Corrections enters into with public providers of prison space. The bill, however, does not require legislative approval for contracts with private providers. The incarceration of an individual who has been found guilty of an offense is the responsibility of the state. Since the state has this responsibility, it could be argued that the terms and conditions of the incarceration of an offender in a private facility, not under the state's direct control, should be reviewed and formally approved provided by the Legislature or the Committee. Further, since costs of incarceration in a private facility are dependent on the costs specified in each contract, it would be appropriate for the Legislature, exercising its power of oversight over the expenditure of state funds, to approve each contract. If the Committee wishes, the bill could be modified to include Legislative review and approval.

• Given that there are at least 15 private firms currently providing prison bed space to federal, state and local government agencies, there could be a number of potential bidders on any contract for privately-provided prison space. Further, if a contract is approved, Corrections will need to monitor the contractor for compliance with the contract's provisions. The Department does not have a staff position assigned to monitor its existing contracts with Wisconsin or Texas counties, or the federal government. This role has been performed by the Deputy Division Administrator for Adult Institutions, in addition to other duties. If the Committee allows the Department to contract with private providers, it may be appropriate for an additional position to be created to negotiate and monitor all contracts for prison space. Under this alternative, the Committee could provide \$44,100 GPR in 1997-98 and \$52,300 GPR in 1998-99 with 1.0 GPR position annually.

• The bill applies the current law exemption from state procurement rules for contracts with public providers of prison space to contracts with private providers. It could be argued that requiring other governmental units to bid to provide prison space would be a disincentive to providing that space because these facilities are publicly owned and operated and, therefore, do not generally need the state's business to continue to operate. By contrast, however, having private providers compete through the procurement process could provide benefits to the state in that the lowest price could be achieved from businesses that are privately owned and need business to operate. Under the procurement laws, the state is required to accept the lowest responsible bid, after bids have been formally solicited and reviewed. Current law also allows the Governor or the Secretary of the Department of Administration to waive any procurement law if it is in the best interest of the state to do so. If the Committee wishes, the exemption from the procurement law could be eliminated.

13. It could be argued that since it is the state that has found an individual guilty of an offense and sentenced that person to a term of incarceration, the state should be directly responsible for providing prison space. While contracts with other public institutions may be appropriate because of their position of public trust and accountability, private contractors are not directly responsible to the public. It could be argued that, with a private prison contract, Corrections would not have the same level of control or oversight over the prison operational and

inmate policy issues. Further, if contracts are not well negotiated, Corrections could be placed in a position of paying more per bed than could have been obtained with public providers or in a state facility. While proponents of contracting with private providers suggest that cost savings will result, this cannot be determined without details from each of the negotiated contracts. Using arguments such as this, the provision allowing Corrections to contract with private providers could be deleted.

Funding for Contracts with Private Providers

14. If the Committee allows Corrections to contract with private providers for additional prison space, the question of funding needs to be addressed. Under the bill, \$8,212,500 GPR annually is provided for this purpose. The bill assumes that the Department will contract for 500 beds annually for a full year at \$45 per day per bed. The bill also reduces costs associated with food, health care and other inmate costs for the 500 inmates.

15. In his budget message, the Governor indicated that Corrections would contract with Correctional Corporation of America's Prairie Correctional Facility (PCF) in Appleton, Minnesota. No provision in the bill, however, specifies that the Appleton, Minnesota facility will be selected. The Committee should note that while the budget assumes that the state can contract for beds at \$45 per day, officials at PCF indicate that the cost would depend on the negotiated contract, but that generally costs are between \$50 and \$55 per day per bed. Given this range, Corrections could contract for between 409 and 450 beds on an annual basis.

16. Since the budget bill is generally not signed until August and any contract will need to be negotiated, it could be argued that funding in 1997-98 could be reduced. Assuming that a contract could not be implemented until October, 1997, and that 500 inmates would not immediately be placed, costs for private prison contracts could be reduced by \$1,650,800 GPR in 1997-98. However, since additional inmates would be held in Wisconsin institutions during 1997-98, an additional \$541,900 GPR would be required for inmate-related expenses, such as food.

17. The bill assumes that 500 contract beds will be provided annually. When the budget was introduced, Corrections was contracting only with Wisconsin and Texas counties for jail beds. On March 19, 1997, however, Corrections announced that it had entered into a contract with the federal Bureau of Prisons for 330 prison beds at a Duluth, Minnesota facility and an Oxford, Wisconsin facility. On March 27, 1997, the Committee transferred funding within Corrections to allow the Department to pay these costs in 1996-97. No funding, however, is available to continue to fund these beds in 1997-98 and 1998-99 without reducing the number of Wisconsin or Texas county jail contracts. On an annual basis, the federal beds are estimated to cost \$4,942,100. If the Committee wishes, this amount of funding could be transferred from the proposed appropriation for private prison contracts to the current correctional contracts appropriation with adjustments made to reflect additional inmates being held in Wisconsin prisons and the time needed to negotiate contracts. The amount of funding remaining in the private

contract appropriation (\$3,270,400 GPR) would be sufficient to support 163 privately contracted beds at \$55 per day per bed. When combined with the number of federal beds, a total of 493 beds would be available in 1998-99, rather than the estimate 405 to 450 if only a private facility is utilized.

18. Given that Corrections is estimated to need some increased amount of contracted prison space to accommodate increased prison populations, it could be argued that, if the Committee does not wish to allow contracting for private prison space, funding should be transferred to the current correctional contracts appropriation. Under this alternative, if the Department was able to contract with other governmental providers, funding would be available to support those contracts.

19. Whatever funding level is provided for private contracted prison space could be placed in the Committee's supplemental appropriation for release when contracts are signed with a private provider. Under this provision, funding could only be released if it were approved by the Committee. The Committee could require that funding be released only if a signed contract was also simultaneously approved.

20. Since the bill assumes that 500 inmates will be placed in other facilities outside of a state prison, if current law is maintained, additional inmates will be held in prison facilities. Costs associated with these inmates would be \$1,566,100 PR in 1997-98 and \$1,593,600 in 1998-99.

21. In a March 11, 1997, letter to the Committee, the Secretary of the Department of Administration indicated that DOA intended that funding for contracts with private providers be placed in the existing appropriation for contracts with public providers of prison beds. DOA indicates that placing all funding in a single appropriation (\$28,562,000 GPR in 1997-98 and \$28,698,900 GPR in 1998-99) would allow the Department more flexibility in utilizing funds. Under DOA's modification, Corrections would be able to determine, within the total appropriation, how much funding would be provided to public or private providers. For example, if the Department wished, all funding could be directed to public providers of prison space (currently Wisconsin or Texas counties). The Committee should note, however, that if the appropriations are combined, the Legislature would not be able to separately identify through the appropriation schedule how much funding is provided to public versus private providers.

22. Under the Governor's recommendation, the contract prison bed appropriation, as modified by DOA, would be used to support 500 private prison beds, 700 Texas county jail beds, 350 Wisconsin county jail beds, 330 federal prison beds and 277 beds at the Prairie du Chien juvenile facility (in 1997-98 only). In order to support this level of contracted bed space, funding of \$39,584,500 in 1997-98 and \$33,012,700 in 1998-99 would be necessary, compared with the \$28.6 million annually provided under the bill. The shortfall reflects the fact that SB 77 does not provide additional funding for Prairie du Chien in 1997-98, or for the federal contracted beds. The Department indicates that since total demand on the appropriation exceeds the funding

available, the funding of contract beds would need to be prioritized, with the funding of Prairie du Chien receiving first priority. Other contracted beds would be utilized to the extent that funding is available, based on their proximity to Wisconsin and the security classification of inmates. The Department has indicated that no additional funding will be requested for contracted beds. However, given the demonstrated need for contracted beds and that the federal beds Wisconsin currently has under contract are located in Wisconsin and Minnesota, it could be argued that an additional \$4,942,100 GPR could be provided annually for continued contracting with the federal government. By placing inmates in federal beds, costs associated with inmates could be reduced by \$1,033,600 GPR in 1997-98 and \$1,051,700 GPR in 1998-99.

ALTERNATIVES TO BASE

A. Statutory Authority to Contract with Private Providers

1. Approve the Governor's recommendation to allow Corrections to contract with a private provider for prison beds in other states. Create a separate, annual appropriation for contracts with private prisons.

2. Approve the Governor's recommendation to allow Corrections to contract with a private provider for prison beds, with any of the following modifications:

a. Allow Corrections to also contract with Wisconsin-based private providers of prison beds.

b. Apply the current law provision for legislative review and approval of any contract to the transfer of 10 or more inmates to any private provider of prison beds.

c. Require that the selection of a private provider of prison beds comply with state procurement laws.

d. Place any increased funding associated with contracts for prison space provided from private providers in the current appropriation for contracts with public providers. [Under this alternative, a separate appropriation for contracts with private providers would not be created.]

e. Provide \$44,100 GPR in 1997-98 and \$52,300 GPR in 1998-99 with 1.0 GPR position annually to fund a contract monitor position in the Department of Corrections.

| <u>Alternative A2e</u> | <u>GPR</u> |
|------------------------------------|------------|
| 1997-99 FUNDING (Change to Base) | \$96,400 |
| [Change to Bill] | \$96,400] |
| 1998-99 POSITIONS (Change to Base) | 1.00 |
| [Change to Bill] | 1.00] |

- Maintain current law related to contracting for prison space.

B. Funding for Contracts with Private Providers

- Approve the Governor's recommendation to provide \$8,212,500 GPR annually to allow Corrections to contract with private providers for prison beds in other states.

| <u>Alternative B1</u> | <u>GPR</u> |
|----------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$16,425,000 |
| [Change to Bill] | \$0] |

- Provide \$6,561,700 GPR in 1997-98 and \$8,212,500 GPR in 1998-99 to phase-in the purchase of prison beds from private providers. In addition, provide \$541,900 GPR in 1997-98 associated with inmate-related costs.

| <u>Alternative B2</u> | <u>GPR</u> |
|----------------------------------|----------------|
| 1997-99 FUNDING (Change to Base) | \$15,316,100 |
| [Change to Bill] | - \$1,108,900] |

- Provide \$6,561,700 GPR in 1997-98 and \$8,212,500 GPR in 1998-99 to phase-in the purchase of prison beds from private providers. Further, provide \$4,942,100 GPR annually to continue contracts with the federal government for prison beds. Reduce funding by \$491,700 GPR in 1997-98 and \$1,051,700 GPR in 1998-99 associated with inmate-related costs.

| <u>Alternative B3</u> | <u>GPR</u> |
|----------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$23,115,000 |
| [Change to Bill] | \$6,690,000] |

- Provide \$2,140,700 GPR in 1997-98 and \$3,270,400 GPR in 1998-99 for contracts with private providers of prison beds. Further, provide \$4,942,100 GPR annually to continue

contracts with the federal government for prison beds. Provide \$200,500 GPR in 1997-98 and \$22,300 GPR in 1998-99 associated with inmate-related costs.

| Alternative B4 | GPR |
|----------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$15,518,100 |
| [Change to Bill | - \$906,900] |

5. Place funding for private contracted prison space in the Committee's supplemental appropriation for release upon review and approval by the Committee of a signed contract with a private provider. [This alternative may be chosen in combination with either Alternatives B1, B2, B3 or B4.]

6. Instead of providing funding for contracts with private providers, provide \$8,212,500 GPR annually in the current correctional contracts appropriation.

| Alternative B6 | GPR |
|----------------------------------|--------------|
| 1997-99 FUNDING (Change to Base) | \$16,425,000 |
| [Change to Bill | \$0] |

7. Maintain current law. Provide \$1,566,100 GPR in 1997-98 and \$1,593,600 GPR in 1998-99 associated with increased inmate costs.

| Alternative B7 | GPR |
|----------------------------------|-----------------|
| 1997-99 FUNDING (Change to Base) | \$3,159,700 |
| [Change to Bill | - \$13,265,300] |

MO# AI# B3

MO# AI# A2BCDE

| | | | |
|-----------|-------------------------------------|---|---|
| JENSEN | <input checked="" type="checkbox"/> | N | A |
| OURADA | <input checked="" type="checkbox"/> | N | A |
| HARSDORF | <input checked="" type="checkbox"/> | N | A |
| ALBERS | <input checked="" type="checkbox"/> | N | A |
| GARD | <input checked="" type="checkbox"/> | N | A |
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| LINTON | <input checked="" type="checkbox"/> | N | A |
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| WINEKE | <input checked="" type="checkbox"/> | N | A |
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| COWLES | <input checked="" type="checkbox"/> | N | A |
| PANZER | <input checked="" type="checkbox"/> | N | A |

| | | | |
|-----------|-------------------------------------|---|---|
| JENSEN | <input checked="" type="checkbox"/> | N | A |
| OURADA | <input checked="" type="checkbox"/> | N | A |
| HARSDORF | <input checked="" type="checkbox"/> | N | A |
| ALBERS | <input checked="" type="checkbox"/> | N | A |
| GARD | <input checked="" type="checkbox"/> | N | A |
| KAUFERT | <input checked="" type="checkbox"/> | N | A |
| LINTON | <input checked="" type="checkbox"/> | N | A |
| COGGS | <input checked="" type="checkbox"/> | N | A |
| BURKE | <input checked="" type="checkbox"/> | N | A |
| DECKER | <input checked="" type="checkbox"/> | N | A |
| GEORGE | <input checked="" type="checkbox"/> | N | A |
| JAUCH | <input checked="" type="checkbox"/> | N | A |
| WINEKE | <input checked="" type="checkbox"/> | N | A |
| SHIBILSKI | <input checked="" type="checkbox"/> | N | A |
| COWLES | <input checked="" type="checkbox"/> | N | A |
| PANZER | <input checked="" type="checkbox"/> | N | A |

Prepared by: Jere Bauer

AYE 13 NO 2 ABS 1

AYE 11 NO 4 ABS 1