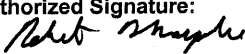


1999 Session		LRB Number -3873/4
FISCAL ESTIMATE DOA-2048 N(R06/99)		Bill Number SB 277
<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		Amendment No. if Applicable
Subject Relating to: the lease and acquisition of privately built correctional facilities; fiscal estimates for bills containing criminal penalty provisions; the provision of medical services to prisoners; correctional institution placements of prisoners by the department of corrections; the effective date of various changes to felony penalties and to the structure of sentences of imprisonment in felony cases; and providing penalties.		Administrative Rule Number
Fiscal Effect		
State: <input type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		<input checked="" type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		
Local: <input type="checkbox"/> No local government costs		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
Fund Sources Affected X GPR <input type="checkbox"/> FED X PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		Affected Chapter 20 Appropriations s.20.410 (1) (a) (km)
Assumptions Used in Arriving at Fiscal Estimate		
<u>Privately Built Correctional Facilities</u> This bill permits the Department to lease a correctional facility, if the facility was under construction before October 1, 1999. The use of funds for these lease payments and for operations costs from this appropriation is subject to approval by the Joint Committee on Finance. This bill provides general statutory authority for leasing and does not mandate any expenditure of funds. However, for illustrative purposes, the Department will use the Stanley medium security facility as an example. There are a number of assumptions in establishing these costs. It is assumed that positions for the facility will be authorized about December 1, 1999, and that lease or lease/purchase negotiations will be completed by March 1, 2000. It is further assumed that inmate populations will be phased in at a rate of 30 per week, beginning on October 1, 2000. The total capacity of 1,200 would be reached on July 1, 2001. There would not be any inmates received by the institution in FY 00. The average daily population in FY 01 would be 472. By FY 02, the institution would be up to full capacity of 1,200. Projected lease costs of \$6,000,000 annually are included in these estimates. During the first year, FY 00, there would be \$3,900,000 in moveable equipment, \$2,216,000 in building modifications, and \$3,171,500 in one-time start-up costs, for a total of \$9,287,500 in one-time costs. There would also be \$643,200 in salary and fringe and \$705,800 in supplies and services. Lease cost in FY 00 is estimated at \$2,000,000. The total costs for FY 00 would be \$12,636,500 GPR and 47.0 GPR FTE. The Department would also need approximately \$10,000 in expenditure authority and position authority for 1.0 PRO FTE to support prison industries. In FY 01, the Department would need to provide \$11,279,100 in salary and fringe, \$2,366,600 in supplies and services, \$6,000,000 in lease costs, and \$209,400 in one-time costs, for a total of \$19,855,100 GPR and approximately 373 GPR FTE. In FY 01, the Department would also need approximately \$150,100 (salary,		
Long-Range Fiscal Implications		
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Authorized Signature:  Robert Margolies	Telephone No. 266-2931	Date November 9, 1999

fringe and supplies and services) in expenditure authority and position authority for 4.00 PRO FTE to support prison industries.

On an annual basis, total GPR costs would be \$15,323,000 in salary and fringe, \$4,210,000 in supplies and services, and \$6,000,000 in lease costs, for a total of \$25,533,000 and approximately 373 FTE. Total PRO expenditure authority would be \$150,400 in salary and fringe, and \$19,200 in supplies and services.

Placement Criteria for Prisoners

This bill requires DOC to consider several criteria, in priority order, when deciding on placement of an inmate in a correctional institution. The primary criterion is public safety. Other criteria include the prisoner's preference for an institution in this state, availability of education, treatment, or rehabilitative programs, and other factors DOC deems appropriate. Consideration of these criteria would be a part of the assessment and evaluation process, and its costs could be absorbed in current workload.

Fiscal estimates for Bills Containing Criminal Penalty Provisions

Current law provides an exemption from the fiscal estimate requirement for bills containing penalty provisions. This bill repeals that exemption.

It is difficult to predict how many such bills will be introduced in a given legislative session. It is known, however, that bills containing penalty provisions may require significant research, at times involving gathering information and statistics from other jurisdictions, and this research must be performed on a tight time frame.

At this time, the Department estimates that it would need 1.00 FTE Budget and Policy Analyst-Senior, 1.00 FTE Information Systems Data Access Professional Senior, and 1.0 Research Analyst 6. After some experience with the increased workload, this estimate of staff may need to be increased. These FTE could be utilized by the Department when the legislature is not in session, performing basic research and statistics on known correctional issues likely to be raised in legislative proposals.

These 3.00 FTE would incur an annual cost of \$167,400 in salary, fringe, and supplies and services. There would be an additional \$24,000 in the first year for one-time and start-up costs.

Provision of Medical Services to Prisoners

Current law permits the department to contract for medical services, or to provide such services with civil service employees. At this time, the department provides most primary care medical services to both adults and juveniles through the state civil service system. Two institutions, Prairie du Chien and the Supermax have medical staff provided through contracts. The department has an ongoing contract with the University of Wisconsin Hospital and Clinics Authority. The UWHCA contract is not believed to be affected by this bill, as the services provided are not primary care, but rather specialty care, such as surgery and consultations.

This bill requires the department to provide primary medical care to prisoners exclusively through DOC employees.

In the Division of Adult Institutions, most primary care is provided through DOC employees. There are some medical services provided through contract employees. These usually occur as fill-ins when regular staff are on approved leave, such as maternity leave or other medical leave. They are also used to address staffing shortages due to population growth and special medical needs. In some cases, it has not been possible to fill an authorized position due to lack of qualified applicants. Most of the employees on contract are either medical consultants, such as psychiatrists, optometrists, radiologists or other employees working 20 hours per week or less. Since many of these situations are temporary, it is difficult to assess the cost to the department on an annualized basis.

As mentioned earlier, the department has two institutions with medical services provided by contract staff, rather than by state civil servants. These are Prairie du Chien and the Supermax. Some cost comparisons can be made, using a direct comparison of staff provided in the contract vs. the same positions if funded by the state. These two contracts include provision of variable non-food-health items, which include all pharmaceuticals, as well as off-site care when needed for emergency treatment or surgery. In order to provide an accurate comparison, the amount that the state budgets for these variable costs has been added to the salary and fringe of the state employee comparison. The total amount of the Prairie du Chien contract is \$657,500. The state would pay \$783,300 on an annualized basis, using state employees and including variable non-food (health) costs for an average daily population of 300. These costs would increase by \$126,000 using state employees. The total amount of the Supermax contract is \$1,805,500. The state would pay \$1,350,000 on an annualized basis, using state employees and including variable non-food (health) costs for an average daily population of 450. In this case, the state would save \$455,500 on an annual basis. In both cases, it is important to note that inmates with serious medical conditions are not likely to be sent to contract facilities.

In the Division of Community Corrections, contract Registered Nurses are employed at the various centers for weekly hours that range between 8 and 40. The total yearly cost for these nurses is \$344,000. It is difficult or impossible to find state employees for the few hours that are needed at some centers. Additionally, state personnel rules prohibit the hiring of a state employee for less than 29% time.

The total number of FTE if the fractions were combined would be 5.05. As state employees, these nurses would generate \$232,000 in salary and fringe. Due to the limited number of hours needed at some locations, the department may be required to use Limited Term Employee consultant staff. Salaries for consultant LTE's are negotiable, and may result in higher costs.

Truth in Sentencing Delay

The current bill provides a delay in the implementation of 1997 Wisconsin Act 283 (Truth in Sentencing) from December 31, 1999 to July 1, 2000. The department is not able to estimate the fiscal impact of this change.