

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-2463/1	Introduction Number AB-0401	
Description performance grants based on improving employment rates for individuals on probation, parole, or extended supervision		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input checked="" type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Agency/Prepared By DOC/ Shelby Slaven (608) 240-5415	Authorized Signature Anna Neal (608) 228-1331	Date 9/22/2023

Fiscal Estimate Narratives

DOC 9/22/2023

LRB Number	23-2463/1	Introduction Number	AB-0401	Estimate Type	Original
Description performance grants based on improving employment rates for individuals on probation, parole, or extended supervision					

Assumptions Used in Arriving at Fiscal Estimate

Under the bill the Department of Corrections (DOC) would be required to award performance grants to adult probation and parole offices for increases in employment rates for individuals on probation, parole, or extended supervision in the regions the offices serve. The awarded grants would be determined using a standardized formula that subtracts a baseline employment rate, calculated using the average annual employment rates for FY20, FY21, and FY22, from the employment rate for the fiscal year that just ended. If the difference between rates is negative, the office is not eligible for the performance grant. If the difference between rates is positive, the office is eligible to receive a sum equaling the positive difference multiplied by the number of individuals on probation, parole, or extended supervision in the region the office serves, multiplied again by \$2,500. Regional offices that had an increase in revocations in the previous fiscal year based on the commission of new crimes cannot not be awarded a grant.

Offices that receive the performance grant can spend up to 15% of their awarded amount on data collection and administration of the grant and must spend the remaining 85% of funds to improve services for individuals on probation, parole, and extended supervision in the region. Funds could be used for a variety of evidence-based practices including risk and needs assessments, rehabilitation programs, and vocational programming, among other. Funding can also be spent on hiring additional staff to implement best practices and services.

Under the bill, DOC will be required to publish outcome-based measures for each region, such as: employment rate, the average length of employment, employment status of those who are convicted of a crime while under supervision, and an estimate of savings to the state on correctional costs due to potentially lower crime rates. The outcome-based measures must be tracked and reported publicly on an annual basis.

Lastly, the DOC would be required to prepare and submit annual reports to the Joint Committee on Finance concerning the effectiveness of the performance grants based on outcome-based measures and recommendations regarding resource allocations for collaboration with other state, regional, or local entities or other regions for improvements to the performance grant programs.

While DOC currently tracks quarterly rates of employment for individuals on probation, parole, and extended supervision using Department of Workforce Development data and DOC-collected data, the information is self-reported and not a reliable measure of employment. For instance, self-reported data from clients can be misremembered or change between data collection point timeframes. At this time, the length of employment, average length of time to find employment, and ongoing employment status are not able to be accurately and completely tracked and reported. As such, determining baseline employment rates as required by the bill would be incomplete and present serious boundaries to implementation.

This bill also requires annual recidivism rates for individuals on probation, parole, and extended supervision to determine each regions eligibility to receive grant funds. While the Department currently publicly reports recidivism rates for individuals released from prison and progress is being made to report similar data for those on community supervision, these rates are not yet available and would not be accessible in time for implementation of the bill. To adhere to all requested data in this bill, additional resources would be needed in the Department's Research and Policy Unit, the team responsible for DOC data tracking. An additional 1.00 FTE Research and Policy Analyst – Advanced would be needed to support the necessary policy, practice, and agent workload changes and would cost an estimated \$90,800 in salary and fringe benefits annually.

Additionally, the performance-based grant program would require an estimated additional 1.00 FTE Program and Policy Analyst - Advanced in each region (8.00 FTE total) to manage the annual funds, performance-based measures, and required reporting. Each new FTE would cost an estimated \$95,200 in salary and fringe benefits for a total annual cost of \$803,000 annually. However, new FTE would only be a portion of the cost

In addition to the estimated 9.00 FTE needed to support the administrative portion of awarded grants, there would be an increase in funding needed for the disbursement of actual grant moneys around the state. The bill does not create a new appropriation or provide new funding. Without additional funding to implement the ongoing grants, the DOC would see increased costs that could not be absorbed in its current budget. Without knowing the baseline employment rate and future fiscal year employment rates, it is not currently possible to estimate the total amount of funds needed for potentially eligible regional offices.

Lastly, under the bill if cost-savings were realized as a result of lower crime rates among individuals on probation, parole, or extended supervision, the bill indicates DOC would be required to report on these cost savings. If there was a reduction in incarceration in relation to the bill, the Department could realize savings equal to the marginal cost of incarceration, which is approximately \$10,100 per person, the average FY23 annual incremental cost (i.e., food, health care and clothing).

Under the bill, local services for individuals on Probation, Parole, and Extended Supervision would be paid for with performance grants and required collaboration with local entities regarding recommended improvements to the program would incur no local costs. As such, there would be no impact to local government costs.

Long-Range Fiscal Implications