

## Fiscal Estimate - 2025 Session

☒ Original      ☐ Updated      ☐ Corrected      ☐ Supplemental

<b>LRB Number</b> <b>25-3171/1</b>		<b>Introduction Number</b> <b>AB-0297</b>	
<b>Description</b> performance grants based on improving employment rates for individuals on probation, parole, or extended supervision			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<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	
<b>Local:</b>			
<input checked="" type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs		3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs		4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected			
<input type="checkbox"/> Towns		<input type="checkbox"/> Village	
<input type="checkbox"/> Counties		<input type="checkbox"/> Others	
<input type="checkbox"/> School Districts		<input type="checkbox"/> WTCS Districts	
<b>Fund Sources Affected</b>		<b>Affected Ch. 20 Appropriations</b>	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DOC/ Quinn Wakley (608) 240-5422		Anna Neal (608) 228-1331	
		<b>Date</b>	
		6/9/2025	

## Fiscal Estimate Narratives

DOC 6/9/2025

LRB Number	25-3171/1	Introduction Number	AB-0297	Estimate Type	Original
<b>Description</b> 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 FY22, FY23, and FY24, 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 be awarded a grant. Offices that receive the performance grant must spend them on employee bonuses. For example, should a region with 1,000 clients raise employment by 1%, meaning 10 more clients employed, they would receive \$2,500,000 in bonuses.

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 \$94,800, mostly in salary and fringe benefits annually.

Additionally, the employment-based grant program would require an estimated additional 1.00 FTE Employment Programs Coordinator in each region (8.00 FTE total), 1.00 FTE Correctional Field Supervisor, and 1.00 FTE Financial Specialist - Senior to manage the annual funds, performance-based measures, and required reporting. Each new Employment Programs Coordinator FTE would cost an estimated \$85,700 mostly in salary and fringe benefits annually, the Financial Specialist – Senior \$99,400, and the Corrections Field Supervisor \$107,200. Overall, the new 11.00 FTE would cost an estimated \$987,000, mostly in salary and fringe benefits annually, and new FTE would only be a portion of the cost associated with performance-based grants.

In addition to the estimated 11.00 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 \$10,700 per person, the average FY24 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**