



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #230

### **Adult Correctional Facility Populations, Prison Contract Bed Funding, and Inmate Variable Costs (Corrections -- Adult Corrections)**

#### *Bill Agency*

[LFB 2007-09 Budget Summary: Pages 106-107, #1, #2 and #3]

#### **CURRENT LAW**

On May 18, 2007, Corrections had an institutional population of 22,770 (19,717 in correctional institutions, 2,431 in correctional centers and 622 in contract beds). Base funding for prison contract beds is \$4,521,800 GPR.

#### **GOVERNOR**

Estimate an average daily population in adult correctional facilities (correctional institutions and centers) and contract beds of 22,827 in 2007-08 and 23,143 in 2008-09. The following table identifies the estimated distribution of this population.

|                 | May 18, 2007<br><u>Actual Population</u> | <u>Average Daily Population</u> |                |
|-----------------|--|---------------------------------|----------------|
|                 |  | <u>2007-08</u>                  | <u>2008-09</u> |
| Institutions*   | 19,717                                   | 19,004                          | 19,012         |
| Centers         | 2,431                                    | 2,511                           | 2,526          |
| Contract Beds** | <u>622</u>                               | <u>1,312</u>                    | <u>1,605</u>   |
| Total           | 22,770                                   | 22,827                          | 23,143         |

\*Includes inmates placed at the Wisconsin Resource Center, operated by DHFS (335 on May 18, 2007, and 344 for each year in 2007-09).

\*\*Contract bed populations include 29 inmates held in federal facilities, and do not factor in estimated contract bed reductions included in some budget provisions.

Provide \$9,546,600 GPR in 2007-08 and \$11,800,900 GPR in 2008-09 to reflect population-related cost adjustments for prisoners in facilities operated by the Division of Adult Institutions.

Provide \$21,061,400 GPR in 2007-08 and \$26,515,000 GPR in 2008-09 related to increased utilization of prison contract beds.

**MODIFICATION**

Increase the estimated average daily population in adult correctional facilities by 113 in 2007-08 and 98 in 2008-09. Modify population-related costs by -\$21,800 GPR in 2007-08 and -\$22,200 GPR in 2008-09. Provide an additional \$2,127,900 GPR in 2007-08 and \$1,840,600 GPR in 2008-09 as a result of increased average daily population estimates. As a result, populations would be distributed as follows:

|               | <u>Average Daily Population</u> |                |
|---------------|---------------------------------|----------------|
|               | <u>2007-08</u>                  | <u>2008-09</u> |
| Institutions  | 19,004                          | 19,012         |
| Centers       | 2,511                           | 2,526          |
| Contract Beds | <u>1,425</u>                    | <u>1,703</u>   |
| <b>Total</b>  | <b>22,940</b>                   | <b>23,241</b>  |

**EXPLANATION**

1. Correctional facility costs and contract beds are budgeted based on an average daily population. The table below identifies the average daily population since 1996-97. Over the period, the average daily population has increased 73%.

| <u>Fiscal Year</u> | <u>ADP</u> | <u>% Change</u> |
|--------------------|------------|-----------------|
| 1996-97            | 12,958     |                 |
| 1997-98            | 14,816     | 14.3%           |
| 1998-99            | 17,691     | 19.4            |
| 1999-00            | 19,805     | 11.9            |
| 2000-01            | 20,447     | 3.2             |
| 2001-02            | 21,025     | 2.8             |
| 2002-03            | 21,825     | 3.8             |
| 2003-04            | 22,331     | 2.3             |
| 2004-05            | 22,596     | 1.2             |
| 2005-06            | 22,412     | -0.8            |

2. Senate Bill 40 uses prison population projections prepared by the Department of Corrections in January, 2007. To make the projections, Corrections evaluated monthly population changes using data from January, 2005 through December, 2006. During this time period, the average monthly change to populations was 0.13% for female inmates and 0.11% for male inmates. Utilizing these monthly change percentages, average daily populations were estimated to be 22,827 prisoners in 2007-08 and 23,143 prisoners in 2008-09.

3. These population estimates are the underlying prison population estimates for SB 40. The estimates are used to determine other population-related costs, including food costs, variable non-food costs (such as clothing, laundry, inmate wages, and other supplies), and variable health care costs (e.g., pharmaceuticals, hospital contracts, limited-term employees). For these costs, Senate Bill 40 would provide GPR funding as follows: (a) for food, \$1,963,800 GPR in 2007-08 and \$2,483,700 GPR in 2008-09; (b) for variable non-food costs, \$258,600 GPR in 2007-08 and \$283,400 GPR in 2008-09; and (c) for variable non-food health, \$7,324,200 GPR in 2007-08 and \$9,033,800 GPR in 2008-09.

4. Regarding funding provided in the bill for food costs, a modification of -\$21,800 GPR in 2007-08 and -\$22,200 GPR in 2008-09 may be made as a result of a recalculation for contracted food at Racine Youthful Offender Correctional Facility.

5. The Department utilized population data through December, 2006 for its projections. Five more months of population data, from January, 2007 through May, 2007, is now available to evaluate the projections. Applying the monthly change percentages used in the bill (0.13% for females and 0.11% for males) to the more recent population data, the average daily populations could be reestimated by an additional 113 inmates in 2007-08 and 98 inmates in 2008-09. As a result, total prison populations would be 22,940 prisoners in 2007-08 and 23,241 prisoners in 2008-09.

6. In order to determine the number of prison contract beds necessary during the biennium, estimated prison populations are compared to the number of institutional beds that would be available (the prison system's operating capacity). To the extent that prison populations exceed operating capacity, inmates are assumed to be placed in contract beds. As a result of increased population estimates of 113 inmates in 2007-08 and 98 inmates in 2008-09, contract bed funding would increase by \$2,127,900 GPR in 2007-08 and \$1,840,600 in 2008-09.

7. It should be noted that monthly population changes have been increasing in recent months, compared to the monthly change percentages used in the bill. To the extent that actual populations increase at a higher percentage rate than projected, the Department may need to determine if sufficient resources are available within the Department's budget, or alternatively submit separate legislation or a request the transfer of funding under s. 13.101 of the statutes.

|     | <b>Change to Bill<br/>Funding</b> | <b>Change to Base<br/>Funding</b> |
|-----|-----------------------------------|-----------------------------------|
| GPR | \$3,924,500                       | \$72,848,400                      |

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