

Corrections

Adult Institutions

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June 6, 2023

Joint Committee on Finance

Paper #295

Inmate Populations, Prison Contract Bed Funding, and Population and Inflationary Costs (Corrections -- Adult Institutions)

[LFB 2023-25 Budget Summary: Page 134, #1, #2, and #3]

CURRENT LAW

The Department of Corrections operates 36 adult correctional facilities, including 20 correctional institutions and 16 correctional centers. In addition, Corrections utilizes prison contract beds to place state inmates in county jails and federal facilities. The Department also places individuals at the Department of Health Services' Wisconsin Resource Center (WRC) for inmates in need of specialized mental health treatment.

DISCUSSION POINTS

1. For each budget cycle, the Department of Corrections projects the total prison population for the upcoming biennium. Generally, population-related costs are budgeted based on the total operating capacity of the prison system, including food, variable non-food costs (such as clothing, laundry, inmate wages, and other supplies), and inmate health care. To the extent that prison population projections exceed the total operating capacity or special circumstances are present that would necessitate quarantine/isolation of inmates, contract bed funding is provided for placements in certain Wisconsin county jails.

A. Population Projections and Variable Costs

2. The COVID-19 pandemic drastically impacted adult prison populations in 2019-20 and 2020-21 (which had a corresponding decrease to variable cost base funding for the current biennium). However, the total adult prison population has been steadily increasing since Summer, 2021, including more rapid growth in more recent months. As of May, 2023, the adult prison population totaled 21,200, including 19,807 males and 1,393 females.

3. For prior budgets, the Department of Corrections reviewed its monthly growth rates to determine the appropriate rate to estimate future populations. Regarding the inmate population for 2023-25, the Department followed a similar model, and projected a median monthly growth rate of 0.242% for males and 0.428% for females based on actual Division of Adult Institutions (DAI) population data over a 12 month period (through June, 2022). The growth rate was then applied to the DAI population on June 24, 2022. Using the growth rates identified, the Department forecasted an average daily population (ADP) of 21,097 inmates in 2023-24 and 21,751 inmates in 2024-25. Under the budget bill, the Department of Administration utilized Corrections' estimates.

4. Approximately 10 more months of population data (July, 2022, through April, 2023) is available to reevaluate the population estimates. Populations have grown significantly in the past several months as courts are working to address the backlog of cases incurred during the pandemic. The updated population numbers over a 12 month period (through April 28, 2023) results in a growth rate projection of 0.918% for females and 0.592% for males. If growth continued at this rate throughout the biennium, the DAI population would reach over 24,800 by July, 2025, which is higher than the DAI population has ever been (the average daily adult prison population was at its highest point in 2018-19, at 24,116 individuals; the average daily adult prison population in 2021-22 was 20,138 individuals).

5. While recent growth patterns have been sizable, it is likely that the updated growth rate is too high to continue for the duration of the 2023-25 biennium, and that the recent rapid growth is likely temporary (at some point, the courts will catch up and prison populations will level out and grow at a slower rate).

6. Aside from the court backlog, one additional potential factor that may influence the population projection in the 2023-25 biennium is 2021 enacted legislation, which increased penalties and created additional crimes. These legislative changes may eventually lead to increased prison populations to the extent that offenders either serve new or longer sentences.

7. In reestimating the populations, the projection assumes that the current observed growth rate will continue for the first six months of 2023-24, then will slow by 25% in each of the subsequent six months (75% of the growth rate in January, 2024, 50% in July, 2024, and 25% in January, 2025) as court dockets return to pre-pandemic norms. This assumption is based on the fact that there are more than 40,000 pending felony cases as of May 1, 2023, compared to pre-pandemic pending felony cases of approximately 27,000 in early-2020, and the fact that the number of felony cases has been generally trending downwards in recent months. The assumption, however, is based on pending cases statewide, and specific counties may have a higher or lower backlog of cases, which could necessitate a longer/shorter time period to "return to normal" (for example, as of May 1, 2023, Milwaukee County had 5,043 pending felony cases, but Menominee County only had 53 pending felony cases).

8. Utilizing the above growth rate assumptions, the reestimate assumes a 2023-24 endpoint (June 30, 2024) adult institutional population of 22,851 (1,536 females and 21,315 males) and 23,490 at the end of 2024-25 (1,600 females and 21,890 males). The corresponding ADP would be 22,242 in 2023-24 (1,475 females and 20,767 males) and 23,249 in 2024-25 (1,576 females and 21,673 males).

9. While the reestimated population growth rate is significantly higher than the rate used by Corrections and the Administration, it is based on more updated data and tapers based on slower growth rates throughout the biennium. At no point in the biennium would the estimated female population exceed the female adult prison capacity. However, the estimated male population is anticipated to exceed the adult male prison capacity beginning approximately in November, 2023. As noted by the table below, the 2023-24 revised male population estimate exceeds the DAI male budgeted capacity by 212, and the 2024-25 revised male population estimate exceeds the DAI male budgeted capacity by 1,118.

Total Adult Male Correctional Facility Average Daily Populations

	<u>Males</u>
2023-24 Revised Estimated Populations	20,767
2023-24 DAI Capacity*	20,555
2023-24 Number of Inmates Exceeding Capacity	- 212
2024-25 Revised Estimated Populations	21,673
2024-25 DAI Capacity*	20,555
2024-25 Number of Inmates Exceeding Capacity	-1,118

*Includes Institutions (including the Wisconsin Resource Center), Centers,
and 32 Federal contract beds.

10. While the Department pays a daily contract bed rate for state inmates serving sentences in Wisconsin County jails, the Department is not responsible for the variable costs of inmates in contract beds. The reestimated populations would require approximately 212 inmates in 2023-24 and 1,118 inmates in 2024-25 to be housed in Wisconsin contract beds (discussed later in this paper) for overcrowding purposes in the biennium. The Department also places inmates at the Wisconsin Resource Center, but the facility is operated by the Department of Health Services, and Corrections is not responsible for inmate variable costs at WRC (which has a capacity of 444 individuals annually).

11. While the Department does not pay variable costs for individuals in contract beds or at the WRC, the Department is responsible for the food and health costs of approximately 425 individuals annually on temporary probation, parole, or extended supervision holds in adult correctional institutions. In combination, the adult institutional populations for which Corrections must provide variable cost funding would be lower than the total reestimated population.

12. The population estimate under the bill would result in corresponding population and inflationary cost changes of -\$1,674,600 GPR in 2023-24 and \$13,409,600 GPR in 2024-25 to reflect population-related cost adjustments for prisoners in DAI facilities including: (a) food and food equipment costs; (b) variable non-food costs, such as inmates wages, bedding, clothing, kitchen utensils, and other supplies; and (c) inmate non-food health services. The recommendation for inmate health services assumed that per capita adult inmate costs will increase from an estimated \$5,089 in 2022-23 to \$5,474 in 2023-24 and to \$5,890 in 2024-25. Health care costs include pharmaceutical

costs, third party administrator costs, and contracting costs with the University Hospital and Clinics, the University of Wisconsin Medical Foundation, Waupun Memorial Hospital, St. Agnes Hospital, and other community hospitals.

13. Using the reestimated inmate average daily populations and adjusting for contract beds and WRC inmates, associated variable costs would be \$6,158,200 GPR in 2023-24 and \$16,776,800 GPR in 2024-25 as follows: (a) \$5,987,100 GPR in 2023-24 and \$6,761,100 GPR in 2024-25 for food and food equipment costs; (b) \$2,929,600 GPR in 2023-24 and \$3,055,500 GPR in 2024-25 for variable non-food costs; and (c) -\$2,758,500 GPR in 2023-24 and \$6,960,200 GPR in 2024-25 for non-food health services. [Alternative A1]

14. However, in addition to population changes that have occurred since the introduction of the budget bill, Corrections has incurred increased inmate healthcare costs due to an inability to hire contracted medical staff at the preexisting pay rates. For example, between September, 2022, and March, 2023, 67 applications for nursing positions were received, but 42 of the candidates were only willing to be hired with escalated rates. Given the high vacancy rates in medical positions within Corrections, in March, 2023 (subsequent to the introduction of the budget bill), the Department agreed to post certain medical positions at a higher pay rate. The change in pay seems to have increased interest, as an additional 142 applications for nursing positions have been received between March and early-May, 2023. The rate changes vary by job title, but range from a 33.3% increase (physicians, going from \$180 per hour to \$240 per hour) to a 100% increase (certified nursing assistants, going from \$25 to \$50 per hour). To account for the inflated costs, the Committee could additionally provide \$5,675,100 GPR annually to the costs identified in Alternative A1. In total, with the inflated healthcare costs, the variable costs relative to the reestimated population would require \$11,833,300 GPR in 2023-24 and \$22,451,900 in 2024-25. [Alternative A2]

B. Contract Beds

15. The Department currently contracts with counties to house state inmates at a per diem rate of \$51.46 for all county facilities. Further, for individuals under the age of 18 who have been convicted as adults, the Department contracts with the Division of Juvenile Corrections (DJC) at a statutory daily rate (for an estimated 10 beds per year). The Department also currently contracts for temporarily lock-up and federal beds at a per diem rate of \$60. Base funding for the contract bed appropriation is \$19,296,300 (note that in 2021, the base budget for the contract bed appropriation was \$32,890,800 GPR, but was reduced in the 2021-23 biennium as a result of pandemic-related population decreases).

16. In total, the budget bill projects a need of 618 contract beds annually. These beds include: (a) 100 beds annually for state inmates in Wisconsin County jails; (b) 500 beds annually used by the Division of Community Corrections (DCC) for extended supervision sanctions; and (c) 18 beds annually the Department would use for inmates in intergovernmental facilities, adult inmates in DJC facilities, and temporary lock-ups of inmates from correctional centers. For the purposes of assessing contract beds for adult institutional inmates, the focus of this paper is on the 100 beds for DAI inmates in Wisconsin Counties.

17. Based on the population estimates under the bill, additional contract beds would largely

not be needed for overcrowding purposes, as the original population projection remains below the institutional capacity until approximately June, 2025. Instead, under the bill, the 100 contract beds would be provided annually to allow Corrections flexibility to manage the DAI population, as needed. The additional contract beds, beyond those needed for overcrowding, could be used for: (a) isolation/quarantine purposes; and/or (b) inmates with a short period of time remaining on their prison sentence.

18. According to Corrections, a "quarantine" bed separates and restricts the movement of people who were potentially or directly exposed to a contagious disease to see if they become sick. An "isolation" bed separates sick people experiencing symptoms related to a contagious disease from people who are not sick. When an outbreak occurs among the correctional population, it often impacts entire housing units or institutions, including Corrections staff, and is difficult to contain. In 2021-22, Corrections utilized an average of 210 contract beds per day, statewide, to flexibly manage the DAI population, even as total populations largely remained below the DAI capacity.

19. However, due to the population reestimate and as noted by the earlier table, an estimated 212 Wisconsin county contract beds would be needed in 2023-24 and 1,118 Wisconsin county contract beds would be needed in 2024-25 for overcrowding purposes alone. Funding 730 contract beds in 2023-24 (including 212 Wisconsin county contract beds) and 1,636 contract beds in 2024-25 (including 1,118 Wisconsin county contract beds) would require adjustments of -\$959,100 GPR in 2023-24 and \$16,089,000 GPR in 2024-25. [Alternative B1] This alternative provides 112 more Wisconsin county contract beds in 2023-24 and 1,018 more Wisconsin county contract beds in 2024-25 when compared to the budget bill, but unlike the budget bill, the Wisconsin county contract beds identified in Alternative B1 were based only on anticipated DAI overcrowding.

20. However, the Department's current contracts with Wisconsin counties allow for an approximate maximum of 650 total contract beds. If 1,118 county contract beds were necessary in 2024-25, the Department would need to reach out to additional counties to gauge interest in contracting for beds, add additional beds to existing contracts (if possible), and/or find another solution to house the overcrowded inmates, beyond the 650 currently available contract beds in counties (for example, the Department may be able to create temporary space in existing DAI facilities, so long as staffing, safety, and equipment allows -- this option, however, would require a corresponding increase in variable costs). Beyond the uncertainty of inmate placement, the population at the end of the biennium is anticipated to be higher than it ever has been. Note that while the estimate is based on recent trends, it is unknown exactly what the population will be at the end of the biennium. Given these uncertainties, the Committee could adopt Alternative B1, but for 2024-25, place \$8,790,400 GPR of the funding in the Committee's supplemental appropriation. [Alternative B2] This amount corresponds to 468 contract beds, which represents the difference in anticipated beds needed in 2024-25 (1,118) and current number of beds counties are willing to contract for (650). The Department could request the funding at a later date, once it is known where the additional inmates are able to be housed and if the population trends support the need for additional beds.

21. Similar to Alternative B1, Alternative B2 would also provide funding to the Department for the extended supervision sanctions, intergovernmental facilities, adult inmates in DJC, and temporary lock-up contract beds identified in discussion point 16.

22. In addition to Alternatives B1 or B2, the Committee may choose to provide funding for a greater number of Wisconsin county contract beds for additional flexibility in managing the DAI populations, beyond just for overcrowding (for example, if quarantine/isolation of inmates would be appropriate). Given that the population reestimates anticipate male adult facilities to hit the maximum capacity in the 2023-25 biennium, any contagious illness outbreak would likely be more difficult to contain if inmates cannot be isolated/quarantined.

23. If the Committee wished to provide 50 more contract beds annually for added population management flexibility, the total contract bed costs would increase by \$941,700 GPR in 2023-24 and \$939,100 GPR in 2024-25. [Alternative B3a.]. An additional 100 beds annually, as recommended under the budget bill, would increase contract bed costs by \$1,883,400 in 2023-24 and \$1,878,300 GPR in 2024-25 [Alternative B3b.] The amounts identified in both B3a. and B3b. would be placed in the Committee's supplemental appropriations, given that: (a) populations may not grow as anticipated, and contract beds provided for overcrowding could instead be utilized for any additional population management needs; and (b) the number contract beds provided for overcrowding are significantly more than recommended under the budget bill (which projected a lower population growth based on less recent data).

ALTERNATIVES

A. Population Projections and Variable Costs

1. *Population Reestimate.* Reestimate average daily populations in adult correctional facilities to be 22,242 in 2023-24 and 23,249 in 2024-25, and provide \$6,158,200 GPR in 2023-24 and \$16,776,800 in 2024-25 for associated inflationary costs.

ALT A1	Change to Base
GPR	\$22,935,000

2. *Population Reestimate and Increased Healthcare Staffing Contracting Costs.* Reestimate average daily populations in adult correctional facilities to be 22,242 in 2023-24 and 23,249 in 2024-25, and provide \$11,833,300 GPR in 2023-24 and \$22,451,900 GPR in 2024-25 for associated inflationary costs, including anticipated increased expenses for healthcare.

ALT A2	Change to Base
GPR	\$34,285,200

B. Contract Beds

1. *Contract Beds Based on Population.* Provide adjustments of -\$959,100 GPR in 2023-24 and \$16,089,000 GPR in 2024-25 for 730 contract beds in 2023-24 (including 212 Wisconsin county contract beds for overcrowding) and 1,636 contract beds in 2024-25 (including 1,118 Wisconsin county contract beds for overcrowding).

ALT B1	Change to Base
GPR	\$15,129,900

2. *Contract Beds Based on Population with Funding Partially Reserved in 2024-25.* Provide the amount of contract bed funding identified in Alternative B1, but place \$8,790,400 GPR of the funding in 2024-2025 (equivalent to 468 Wisconsin county contract beds) into the Committee's supplemental appropriation. The Department of Corrections would be provided -\$959,100 GPR in 2023-24 (including 212 Wisconsin county contract beds for overcrowding) and \$7,298,600 GPR in 2024-25 (including 650 Wisconsin county contract beds for overcrowding) under this Alternative. The Department could request release of additional contract bed funding from the Joint Committee on Finance under s. 13.10.

ALT B2	Change to Base
GPR	\$15,129,900

3. *Flexible Contract Bed Funding Placed in Reserve.* In addition to Alternatives B1 or B2, funding could be provided in the Committee's supplemental appropriation for additional contract beds to allow the Department added flexibility in managing adult prison populations. Note that Alternative B3a. or B3b. can only be chosen in addition to either Alternative B1 or B2, and not as stand-alone options. In addition, note that the change to base amounts identified with Alternatives B3a. and B3b. reflect only the additional increase in costs (and not also the costs associated with either Alternative B1 or B2).

a. *50 Additional Beds.* \$941,700 GPR in 2023-24 and \$939,100 GPR in 2024-25 for 50 additional contract beds annually for miscellaneous purposes in the Committee's supplemental appropriation. The Department could request release of additional overtime funding from the Joint Committee on Finance under s. 13.10.

ALT B3a.	Change to Base
GPR	\$1,880,800

b. *100 Additional Beds.* \$1,883,400 GPR in 2023-24 and \$1,878,300 GPR in 2024-25 for 100 additional contract beds annually for miscellaneous purposes in the Committee's supplemental

appropriation. The Department could request release of additional overtime funding from the Joint Committee on Finance under s. 13.10.

ALT B3b. Change to Base	
GPR	\$3,761,700

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June 6, 2023

Joint Committee on Finance

Paper #296

Wisconsin Resource Center Security Operations Transfer (Corrections -- Adult Institutions, and Health Services -- Care and Treatment Facilities)

[LFB 2023-25 Budget Summary: Page 135, #4, and Page 293, #7]

CURRENT LAW

The Wisconsin Resource Center (WRC), in Oshkosh, is a Department of Health Services (DHS) facility for male and female Department of Corrections (DOC) inmates with severe and persistent mental health and/or programing needs. As of May, 2023, WRC housed 389 individuals, including 355 males and 34 females.

Under s. 46.056(1), DHS has the responsibility for administering the center as a correctional institution that provides psychological evaluations, specialized learning programs, and training and supervision for inmates whose behavior presents a serious problem to themselves or others in state prisons and whose mental health needs can be meet at the center. The secure mental health units or facilities appropriation [s. 20.435(2)(bm)] in DHS funds the operation of the Wisconsin Resource Center, but is prohibited by statute from being used to fund security operations at WRC. Under s. 46.056(2), correctional officers providing security at the Wisconsin Resource Center are employees of the Department of Corrections.

DISCUSSION POINTS

1. Prior to 1990, the Department of Corrections was a division within the Department of Health and Social Services (the Division of Corrections). According to DHS, after splitting into two independent agencies, DOC officers remained at the WRC facility "because of issues in the labor contract and other labor relations-related issues which are no longer relevant (such as transfers

between Departments)."

2. Since that time, DHS indicates that the split staffing between the agencies "is inefficient and introduces needless complexity and challenges to human resources administration." For example, DOC staff and DHS staff are subject to different timekeeping policies, discipline procedures, and are receiving benefits and pay from different organizations. The Department of Corrections agrees that challenges exist and indicates that transferring the WRC DOC security staff to DHS would streamline the operations of WRC and is in the best interest of the agencies and the employees.

3. Corrections currently has 110 full-time security personnel at WRC, including 71 correctional officers, 31 correctional sergeants, and eight supervising officers. As of April 1, 2023, 14 of the 110 security positions were vacant. Under the bill, if the positions were transferred to DHS, the incumbent employees would be transferred into the same roles, at the same seniority level, and would maintain their current wage and accumulated benefits. According to Corrections, any impact on the employees themselves would be "very minor."

4. Under the budget bill, DHS would receive \$9,320,600 GPR and 110.0 GPR positions annually. These costs include: (a) \$5,965,600 GPR annually for salaries; (b) \$2,882,000 GPR annually for fringe benefits (at the protective service fringe benefit rate); and (c) \$473,000 GPR annually for supplies and services (including information technology charges and office and administrative expenses).

5. Conversely, DOC's budget would be reduced by \$8,906,900 and 110.0 GPR positions annually. The difference of \$413,700 annually between the DOC reduction and the DHS increase is related to supplies and services. DHS budgets for certain facility expenses on a per employee basis, through intra-agency charges for services. Thus, the bill would provide \$4,300 per security staff member to cover: (a) monthly network IT charges (\$234 per month, or \$2,800 annually (rounded)); (b) monthly phone charges (\$40 per month, or \$500 annually (rounded)); and (c) supplies and services (\$1,000 annually).

6. In addition to funding and positions, statutory language modifications would be necessary to facilitate the transfer. Under the bill, the secure mental health units or facilities appropriation would be amended to allow DHS to fund security services at WRC. Further, under s. 46.056(2), the specification that correctional officers at WRC are Corrections employees would be eliminated.

7. Finally, non-statutory language would specify that the incumbent employees would be transferred with existing seniority and accrued benefits, tangible personal property (including records), assets and liabilities primarily related to security operations at WRC, and any matter pending with the Department of Corrections related to security operations at WRC would also be transferred. All contracts entered into by DOC primarily related to security operations at WRC in effect on the effective date of the bill would remain in effect and transferred to DHS.

8. Given that both DHS and DOC support transferring WRC security staff from DOC to DHS, and that it would streamline operations while minimally impacting incumbent employees, Committee may wish to approve the transfer and associated statutory changes, as outlined under the

bill (-\$8,906,900 GPR and -110 GPR positions annually in the Department of Corrections and \$9,320,600 GPR and 110 GPR positions annually in the Department of Health Services). [Alternative 1]

9. Alternatively, the Committee could take no action, which would continue the operational agreement that has existed at the Wisconsin Resource Center between DHS and DOC since 1990. [Alternative 2]

ALTERNATIVES

1. Reduce the Department of Corrections' budget and position authority by -\$8,906,900 GPR and -110 GPR positions annually, and provide \$9,320,600 GPR and 110 GPR positions annually to the Department of Health Services to facilitate the transfer of security positions at the Wisconsin Resource Center between the agencies. This alternative requires statutory language changes associated with the transfer, as identified under the budget bill.

ALT 1	Change to Base	
	Funding	Positions
Corrections		
GPR	- \$17,813,800	-110.00
Health Services		
GPR	<u>18,641,200</u>	<u>110.00</u>
Total	\$827,400	0.00

2. Take no action.

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June 6, 2023

Joint Committee on Finance

Paper #297

Medication-Assisted Treatment (Corrections -- Adult Institutions)

[LFB 2023-25 Budget Summary: Page 136, #8]

CURRENT LAW

Medication-assisted treatment (MAT) provides medication, in combination with counseling and behavioral therapies, to treat opioid use disorders. Currently, the Department of Corrections provides pre- and post-release MAT services in 15 Division of Adult Institution (DAI) facilities and is in the process of expanding to all Division of Community Corrections (DCC) regions. Funding for the program is \$1,236,700 GPR annually.

DISCUSSION POINTS

1. In the late 1990's, an opioid crisis developed in the United States. The increasing prevalence of fentanyl, coupled with the COVID-19 pandemic, has only exacerbated the issue. According to the Center for Disease Control and Prevention, drug overdose deaths have quintupled since 1999, and increased by 30% over one year from 2019 to 2020 (the most recent data available). Between 1999 and 2020, more than 564,000 individuals have died from an opioid overdose. Wisconsin mirrors these national trends. Over the past decade, there has been an approximate 900% increase in opioid overdose deaths in Wisconsin (including 1,427 opioid-related deaths in 2021, according to the most recent data available from the Wisconsin Department of Health Services).
2. Substance use is particularly prevalent among the incarcerated and supervised populations of the Department of Corrections. In 2022, there were over 1,000 overdose events, including 203 overdose deaths, among adults on community supervision in Wisconsin. Among the state's institutionalized population, at the start of 2022-23, over 9,800 individuals were on the waitlist for substance use disorder programming based on an identified need.
3. Given Corrections' high-need population and controlled setting (where inmates are

forced to abstain from substance use and correctional staff can consistently provide treatment), a correctional institution may be considered an ideal location for SUD programming. While incarcerated, inmates can prioritize treatment, which better educates and equips them with coping skills to continue on the path to recovery when re-entering society, and may contribute to reduced post-release overdoses and deaths, illicit drug use, and recidivism rates.

4. One specific way the Department of Corrections is working to combat opioid use is through medication-assisted treatment, which uses medications, in combination with counseling and behavioral therapies, to treat opioid use disorders. There are three Food and Drug Administration (FDA) approved medications that can be used for MAT, including methadone, buprenorphine, and naltrexone. According to the federal Substance Abuse and Mental Health Services Administration (SAMHSA), all three medications relieve withdrawal symptoms and psychological cravings that cause chemical imbalances in the body.

5. According to SAMHSA, "research shows that a combination of medication and therapy can successfully treat these disorders and...can help sustain recovery and/or to prevent or reduce opioid overdose." In addition, "MAT has proved to be clinically effective and to significantly reduce the need for inpatient detoxification services."

6. Correction's MAT program is loosely based on the Vivitrol program, initiated in the 2015-17 biennial budget, which provided \$836,700 annually to implement an opioid addiction treatment program by treating individuals prior to and after release from incarceration. Specifically, funding covered medication-assisted treatment with Vivitrol (also known as naltrexone), medical services associated with Vivitrol, and alcohol and other drug abuse (AODA) treatment services.

7. The Vivitrol pilot program has since evolved into the current MAT program. The Department's MAT program generally provides up to 12 months of MAT (and a corresponding 12 injections, if needed) and other treatment services, and as it currently operates, largely occurs when an offender is under DCC supervision. Potential DCC participants are identified based on referrals due to violations, overdoses, drug screens, or by self-reporting of use or misuse of substances. Currently, while incarcerated, participants complete AODA treatment, receive their first shot up to seven days prior to release, and are assigned to a specialty trained MAT agent (a probation and parole agent with specific MAT training and a MAT-focused caseload; MAT agents serve as a resource and liaison to community providers). In addition, participants must volunteer for the program and pass a medical screening. Corrections establishes contracts to provide DCC MAT services based on evidenced based practices and cognitive behavioral therapy, and MAT agents work with the MAT participant to connect them with contracted providers.

8. Under 2021 Act 58 (the 2021-23 biennial budget), the Department was provided \$400,000 annually to expand MAT to additional DCC regions. In 2022, there were an average of 124 individuals receiving MAT services each month through DCC.

9. The MAT program currently only exists as a DCC program (although participants formally residing in one of the 15 participating DAI facilities often received their first dose of medication in the correctional facility setting, shortly before release). Under the budget bill, MAT services would be expanded to DAI, with the goal of targeting eligible inmates upon entry into prison,

rather than just upon release when individuals are transitioning to reenter the community. The DAI MAT program would function similar to the DCC MAT program, where participants receive monthly medication, in combination with treatment, for substance use disorders.

10. Potential participants for the DAI MAT program would be identified based on the screening/assessment that occurs during intake (generally based on previous substance use). Unlike DCC MAT participants, who, if able, pay for MAT through employment sponsored healthcare or by self-paying (through private governmental insurance), the Department would fully cover the cost of DAI MAT participants, given that they are residing in correctional facilities under the jurisdiction of the Department.

11. The Department notes that approximately 10% of DAI inmates have an identified substance use disorder that would qualify them for MAT programming (note that approximately 50% have an identified substance use disorder, but the population was further defined to identify those who would best qualify for the MAT program, using parameters similar to the MAT DCC eligibility criteria). Given that DAI averaged approximately 9,300 intakes per year between 2015 and 2019 (the most recent pre-pandemic data available), it is estimated that 465 newly-admitted inmates could participate in MAT programming in 2023-24, and 930 could participate on an annualized basis, beginning in 2024-25. Given the size of the proposed expansion under the budget bill, it is likely that MAT programming would be expanded to additional correctional facilities, beyond the 15 DAI facilities already providing pre-release first-doses for DCC MAT participants. The budget bill provides for only half of the annualized number of participants in 2023-24 in order to give the Department time to identify which additional facilities will participate and to ramp up participation and programming.

12. The MAT medication can be administered orally or through an injection. Each shot costs \$1,488 per month, and the oral medication costs \$45.50 per month. While there is no clinical evidence that either form of the medication is superior to the other, the choice relies on a variety of factors such as institution staff availability, patient suitability and/or preference, and risk or history of diversion (providing medication to others for secondary gains). The Department anticipates that 80% of MAT participants will receive the oral medication, and 20% will receive the injectable medication. Monthly medication is generally provided for up to 12 months per participant, although individuals may participate for a shorter or longer period of time, depending on individual need. Given the medication costs and proposed distribution, it would cost \$931,900 GPR in 2023-24 for 465 individuals to receive MAT medication for six months, and \$3,727,400 GPR in 2024-25 for 930 individuals to receive MAT medication for a full year.

13. In addition to medication, the budget bill would provide \$24,000 in one-time funding in 2023-24 to purchase two pharmacy refrigerators to store the medications, and \$150,900 GPR in 2023-24 and \$188,400 GPR in 2024-25 for 1.0 pharmacist position to manage the medications. In total, expanding MAT to DAI for an annualized 930 participants would require \$1,106,800 GPR in 2023-24, \$3,915,800 GPR in 2024-25, and 1.0 GPR pharmacist position annually. In addition, under this alternative, 1.0 vacant physician position would be reallocated to central office to serve as the administrative head of the MAT program and to advise the Department on best practices. As of April 1, 2023, the Department had 18.2 budgeted physician positions, including 5.9 vacancies (3.0 of which

have been vacant since, or before, 2021). The exact vacant physician position to be reallocated would be determined by the Department. [Alternative 1]

14. The number of annualized participants served under Alternative 1 represents the entire estimated DAI population with substance use disorders that would qualify for MAT, based on intake evaluations (930 is 10% of 9,300 intakes). Given the scope of the expansion, Alternative 1 would more than triple the current MAT budget by the end of the 2023-25 biennium. If a lower amount of funding were provided, for example, \$628,800 GPR in 2023-24 and \$2,052,100 GPR in 2024-25 (representing half of the identified medication costs, half of the pharmaceutical refrigerator costs (one refrigerator instead of two), and the costs related to the 1.0 pharmacy position), Corrections could still expand MAT to DAI, albeit on an approximately 50% smaller scale. Given that the Department has 7.8 pharmacist positions to serve the medical needs of over 21,000 inmates, the Committee may still wish to provide the additional pharmacist position (8.8 total pharmacists corresponds to a ratio of one pharmacist per approximately 2,400 inmates, based on May, 2023 populations), and allow for the reallocation of the vacant physician position to oversee the MAT program. [Alternative 2]

15. If the Committee takes no action, the Department could use existing budget authority to continue to provide MAT services to the Division of Community Corrections population, likely without expanding to the Division of Adult Institutions. [Alternative 3]

ALTERNATIVES

1. Provide \$1,106,800 GPR in 2023-24, \$3,915,800 GPR in 2024-25, and 1.0 GPR pharmacist position annually to expand the medication-assisted treatment program to the Division of Adult Institutions. In addition, reallocate 1.0 vacant physician position for this purpose.

ALT 1	Change to Base Funding	Positions
GPR	\$5,022,600	1.00

2. Provide \$628,800 GPR in 2023-24, \$2,052,100 GPR in 2024-25, and 1.0 GPR pharmacist position annually to expand the medication-assisted treatment program to the Division of Adult Institutions (on a smaller scale). In addition, reallocate 1.0 vacant physician position for this purpose.

ALT 2	Change to Base Funding	Positions
GPR	\$2,680,900	1.00

3. Take no action.

Prepared by: Shannon E. Huberty



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June 6, 2023

Joint Committee on Finance

Paper #298

Technical Mobile Labs (Corrections -- Adult Institutions)

[LFB 2023-25 Budget Summary: Page 136, #10]

CURRENT LAW

The Department of Corrections currently operates five technical mobile labs, with a sixth to be added in Summer, 2023. The funding for technical mobile labs comes from the Becky Young community corrections; recidivism reeducation appropriation, as well as a Department of Workforce Development (DWD) grant. The amount spent by the Department of Corrections varies each year, depending on how many labs/cohorts are in operation, and how much, if any, funding is received from the DWD. The Department has not had GPR funding budgeted for the cost of instructors, but rather, all instructor funding approved in previous biennial budgets was one-time funding from DWD. In 2021-22, DWD provided funding for all of the costs of mobile lab instructors (\$742,400), which included four fully-operational labs, and one partially-operational lab and the Becky Young appropriation expended \$352,300 on equipment and supplies for the mobile labs.

DISCUSSION POINTS

1. Technical mobile labs are self-contained classrooms inside a trailer located on institutional grounds focused on career and technical education (CTE) initiatives. The Department currently operates five mobile labs in the following functional areas and at the following institutions: (a) computer numerical control (CNC) at Racine Correctional and Kettle Moraine Correctional (one at each location); (b) welding at Taycheedah Correctional; (c) electro-mechanical at New Lisbon Correctional; and (d) mechatronics at the Racine Youthful Offender Facility. In addition, the Department notes that a new, sixth lab is expected to arrive this summer to replace the lab at Racine Correctional, at which point the old lab will be repurposed and moved to Green Bay Correctional as an industrial maintenance lab.

2. In 2021-22, 67 individuals completed mobile lab CTE programming, which represents the Department's second-highest annual number of program graduates (one participant lower than in 2020-21, in part due to the Jackson Correctional CNC lab not having an instructor available from January to June, 2022 (the lab was relocated to Kettle Moraine Correctional in August, 2022)). Mobile lab programming is anticipated to grow, with the additional sixth lab.

3. While the Department does not maintain outcome statistics specifically on mobile lab participants, the mobile labs fall under the Department's general CTE initiatives, for which data is available. For example, the Department of Corrections reports that CTE program completion rates ranged from 81.8% to 97.9% between 2014-15 and 2021-22 and nearly half of CTE participants found careers in the production field post-release over the same time period. In 2021-22, among CTE program graduates, the average hourly work release wage was \$18.59.

4. Beyond obtaining employment skills and credentials, CTE education is also associated with lowered recidivism rates. According to Corrections' 2021-22 Annual Becky Young Report, CTE participants had a 20.4% re-conviction rate, compared to a 41.6% re-conviction rate in the control group after three years. The three-year re-arrest rates and re-incarceration rates were also lower for the CTE group compared to the control group, but the margin was smaller, differing by approximately 3% for each category.

5. The Department currently contracts with the Wisconsin Technical College System to provide instruction for the mobile labs. Funding for instruction is in part provided by a DWD Fast Forward grant. The Department's agreement with DWD is set to expire on June 30, 2023, and the Administration has indicated that mobile lab funding from DWD will not be available after that date. In 2021-22, DWD provided \$742,400 to cover all costs associated with mobile lab instructors (although not all labs were fully operational in 2021-22).

6. Under the bill, annual funding would be allocated as supplies and services under the Becky Young community corrections appropriation, for each of the following programs: (a) \$165,900 for the Racine lab; (b) \$190,200 for the Taycheedah lab; (c) \$126,000 for the Kettle Moraine lab; (d) \$126,000 for the New Lisbon lab; (e) \$205,000 for the Racine Youthful Offender lab; and (f) \$162,700 for the Green Bay lab. Cost estimates were based on past contracts with local technical colleges, and is in part based on the number of credits and length of each of the programs (for example, the Racine Youthful Offender lab has the highest projected cost, but also provides the highest number of credits and class hours (18 credits over 520 hours)). The Department anticipates that an additional 204 individuals could complete mobile lab programming annually, if all labs are fully staffed, at which point the labs would be fully operational year round (with three additional cohorts per year, per lab).

7. Given the number of inmates completing the mobile lab program and the recent growth of the program (including the addition of a sixth mobile lab), coupled with the heightened need for skilled employees in the current job market, the Committee would wish to provide \$975,800 GPR annually to support instructor costs at the existing six technical mobile labs. This alternative would ensure that the Department has a consistent fund source for instructors going forward, rather than relying on temporary one-time grants from DWD, or potentially not being able to operate some or all of the labs. [Alternative 1]

8. As noted previously, the mobile labs have received DWD Fast Forward grant funding in the past for instructor costs. The Fast Forward grant is funded through DWD's workforce training grants GPR appropriation, which is intended to be used to award grants to public and private organizations for the development and implementation of workforce training programs. The objective is to award funds to businesses from all Wisconsin industry sectors that reimburse the costs of customized occupational training for unemployed, underemployed, and incumbent workers. The customized, business-driven training must qualify workers for full-time employment, higher levels of employment, or increased wages. The annual appropriation is budgeted \$6,250,000 in 2022-23. In 2021-22, Wisconsin Fast Forward Grants were issued to 37 entities in the amount of \$6,000,000. Fast Forward grant funding has not yet been allocated for specific purposes in the 2023-25 biennium. On May 23, 2023, the Finance Committee reduced Fast Forward funding to \$5,250,000 annually under Motion # 61.

9. The Committee could alternatively direct DWD to provide Corrections with \$975,800 GPR for each year of the 2023-25 biennium in Fast Forward grant funding for mobile lab instructor costs. [Alternative 2] As a result, Corrections could continue to operate the program as in the past. However, according to Corrections, there have been administrative challenges with receiving Fast Forward funds in the past. For example, the two agencies had to come to an intergovernmental agreement/memorandum of understanding, which requires input from multiple entities (such as legal counsel, program staff, fiscal staff, and the secretary's offices), and could delay the receipt of funds. In addition, past agreements have included the requirement that Corrections submit quarterly reports to DWD, in addition to the Becky Young report that Corrections already publishes annually on all reentry programs. Fast Forward grant funding would be limited to the 2023-25 biennium.

10. Given that Corrections has received DWD Fast Forward grant funding for a number of years to operate the mobile labs, the Committee could also require the transfer of \$975,800 GPR annually from DWD's workforce training grants appropriation budget to Corrections' Becky Young appropriation budget. This alternative would provide permanent funding for mobile lab instructor costs, but would also permanently reduce the amount of Fast Forward grant funding available each year. [Alternative 3]

11. If no action is taken, the mobile labs would likely remain on-site, unused until such time as Corrections could reallocate existing funds or receive additional grant funding. [Alternative 4]

ALTERNATIVES

1. Provide \$975,800 GPR annually to the Department of Corrections to support instructor costs for technical mobile labs.

ALT 1	Change to Base
GPR	\$1,951,600

2. Require the Department of Workforce Development to provide, in each year of the 2023-25 biennium, \$975,800 GPR in Wisconsin Fast Forward grant funding to the Department of

Corrections to support instructor costs for technical mobile labs.

3. Transfer \$975,800 GPR annually from the Department of Workforce Development's workforce training grants appropriation to the Department of Corrections' Becky Young appropriation to support instructor costs for technical mobile labs, and to reduce the amount budgeted for Wisconsin Fast Forward grants.

ALT 3	Change to Base
Corrections	
GPR	\$1,951,600
Workforce Development	
GPR	<u>- 1,951,600</u>
Total	\$0

4. Take no action.

Prepared by: Shannon E. Huberty



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June 6, 2023

Joint Committee on Finance

Paper #299

Windows to Work Expansion (Corrections -- Adult Institutions)

[LFB 2023-25 Budget Summary: Page 136, #11]

CURRENT LAW

The Department of Corrections currently operates a "Windows to Work" job services program for inmates, pre- and post-release from prison. Current funding for the program is \$1,892,200 GPR annually.

DISCUSSION POINTS

1. Individuals with criminal records often face challenges to obtaining employment post-incarceration. Windows to Work (WTW) is a job services pre- and post-prison release program administered in partnership with the Department of Workforce Development's Workforce Development Boards (WDB). The program is designed to address criminogenic needs of medium- to high-risk offenders that may lead to recidivism, such as employment, education, anti-social cognition, anti-social personality, and anti-social companions. The goal of WTW is to "promote self-sufficiency for individuals returning to the community through the development of constructive skills and the modification of thought processes related to criminal behavior."

2. While still incarcerated, inmates participate in programing including cognitive intervention, general work skills and expectations, financial literacy, community resources, job seeking, applications, and resumes. The institutional portion of the program begins approximately three to 12 months prior to release from incarceration (timelines may differ at jail sites). Following a participant's release from incarceration, the WTW coach will work with the participant's Division of Community Corrections agent to assist participants with job search and job retention activities. Participants may receive additional assistance, as needed, in accessing available community resources to address needs for food, shelter, clothing, transportation, and other services, depending on the WDB area's funding. Post-release programming is provided for approximately 12 months after release, but

may be extended with written approval by Correction's Reentry Employment Coordinator, if a WTW coach feels that a participant needs services beyond 12 months.

3. In 2021-22, the Windows to Work program had 502 newly-enrolled participants (admitted to the program at a participating institution during their incarceration), 180 transfer participants (enrolled at participating institutions, but transferred to a new coach for the post-release portion of the program), and 359 continuing participants.

4. Workforce Development has 11 regional Workforce Development Boards responsible for labor training and development activities in specific geographical areas of the state. Corrections contracts with each of these boards to provide a pre- and post-release WTW program at adult correctional institutions or county jail facilities in the particular workforce development area.

5. Facilities where WTW programs operate and the WDB with which Corrections contracts include the following:

<u>Facility/Jail</u>	<u>Workforce Development Board Area(s)</u>
Chippewa Valley Correctional Treatment Facility	West Central
Columbia Correctional Institution	South Central
Fox Lake Correctional Institution	South Central
Green Bay Correctional Institution	Bay Area
Jackson Correctional Institution	Western
Kettle Moraine Correctional Institution	Bay Area
Milwaukee Secure Detention Facility	Milwaukee
New Lisbon Correctional Institution	Western
Oakhill Correctional Institution	South Central
Oshkosh Correctional Institution	Fox Valley
Prairie du Chien Correctional Institution	Southwest
Racine Correctional Institution	Milwaukee, Southeast
Racine Youthful Offender Correctional Facility	Southeast
Redgranite Correctional Institution	Fox Valley
Stanley Correctional Institution	West Central
Taycheedah Correctional Institution	Bay Area
Waupun Correctional Institution	Fox Valley
Wisconsin Secure Program Facility	Southwest
Adams County Jail	North Central
Rock County Jail	Southwest
Washington County Jail	Waukesha-Ozaukee-Washington
Waukesha County Huber Facility (Jail)	Waukesha-Ozaukee-Washington
Wood County Jail	North Central

6. Under 2021 Act 58 (the 2021-23 biennial budget) the WTW base budget (\$1,692,200) was increased by \$200,000 GPR annually. The Department used this funding to expand the WTW program to three additional maximum-security sites (Columbia Correctional, Waupun Correctional, and the Wisconsin Secure Program Facility), in addition to expanding to every minimum- and medium-security facility in Wisconsin with a similar funding increase in the prior, 2019-21 biennial budget (2019 Act 9). Funding for the WTW program is allocated as supplies and services under the

Becky Young community corrections appropriation and supports costs such as coach positions, offender services, administrative costs, and training materials and supplies.

7. As indicated previously, WTW had 502 newly-enrolled participants in 2021-22. New enrollments in 2021-22 were higher than new enrollments in both 2020-21 and 2019-20 (339 and 433 respectively), and are on-pace with pre-pandemic enrollments. Enrollments are also increasing due to the additional sites added over the past few years.

8. In addition, in 2021-22, the Department's Reentry Unit made administrative and curriculum program improvements, including: (a) allowing transfers between WDB areas to increase enrollments and better serve individuals releasing to the community; (b) implementing a continuous quality improvement plan, which involves observing staff, providing feedback, and developing relevant skills; (c) providing for WTW staff to conduct training to current Division of Community Corrections staff and new agents during Agent Basic Training to raise program awareness; and (d) collecting more detailed outcome data on WTW participants.

9. During the 2021-22 fiscal year, 66.2% of participants obtained an episode of employment at an average starting hourly rate of \$16.74 per hour. An episode of employment includes temporary placements, on-site job training, work experience, seasonal employment, and full- and part-time employment. The top occupation fields for those employed included production, construction, and food preparation and serving. The Department does not currently collect comparison data for non-WTW participants from the same time period (2021-22), but did collect comparison data on employment rates over a three-year period from 2016-17 through 2019-20 (the most recent data available):

<u>One-Year Employment Rates</u>		<u>Two-Year Employment Rates</u>		<u>Three-Year Employment Rates</u>	
<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>
83.0%	65.3%	87.9%	76.0%	93.2%	81.5%

10. In addition to employment data, tracking by Corrections over the same three-year time period of the re-arrest, re-conviction, and re-incarceration rates of WTW participants compared to a control group of non-WTW participants with similar characteristics resulted in the following findings:

<u>One-Year Re-Arrest</u>		<u>Two-Year Re-Arrest</u>		<u>Three-Year Re-Arrest</u>	
<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>
29.3%	27.0%	46.1%	41.8%	55.5%	44.9%

<u>One-Year Re-Conviction</u>		<u>Two-Year Re-Conviction</u>		<u>Three-Year Re-Conviction</u>	
<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>
16.9%	15.8%	26.0%	22.8%	34.1%	27.2%

<u>One-Year Re-Incarceration</u>		<u>Two-Year Re-Incarceration</u>		<u>Three-Year Re-Incarceration</u>	
<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>	<u>WTW</u>	<u>Control Group</u>
12.3%	18.3%	24.9%	28.5%	33.5%	33.7%

11. The departmental data suggests that while WTW participants had a significantly higher rate of employment compared to the control group in all three time periods, WTW participants generally had a higher re-arrest and re-conviction rate (although a slightly lower re-incarceration rate) than the control group. However, it should be noted that WTW participants are those who have been assessed as medium- to high-risk on a validated risk and needs assessment, and therefore may be inherently more likely to recidivate than the control group.

12. Further, while WTW is primarily a job services program, an additional goal is to reduce criminogenic needs that lead to recidivism. According to the Department, the cognitive intervention portion of the WTW curriculum (which helps participants recognize their risky thinking and feelings while building problem-solving and coping skills) was part of the 2021-22 continuous quality improvement plan, discussed previously; the Department is continuing to evaluate program structure to improve participant outcomes.

13. While WTW does not maintain a waiting list, approximately 1,852 individuals were identified as program-eligible between June, 2022, and August, 2022. An individual is eligible if he or she is: (a) currently incarcerated at a participating institution or county jail; (b) has an established probation and parole agent in one of the contracted WDB areas; (c) is releasing from incarceration between 90 days and 12 months; (d) has at least one year remaining on community supervision after release and maintains a residence in Wisconsin; (e) has no medical issues that would prevent the individual from working; (f) has no detainers that would prevent participation post-release; and (g) has a medium- to high-risk on a validated risk assessment. In addition to these criteria, individuals are further screened prior to enrollment as coaches and institutional staff look to identify the appropriateness of placement in the program (for example, if a WTW-eligible individual has other programming needs that take priority), mental health status of the individual, history of Social Security and Disability Insurance benefits to determine if the individual is able to work, and motivation level of the individual to participate (given that the program is voluntary). While 1,852 individuals are program-eligible, some may choose not to participate, or be screened out for other reasons.

14. Under current program operations, funding is provided to local WDBs by contract to support released participants in the area and inmate participants in areas with prison facilities. It is up to WDBs to determine how the funding they receive should be allocated. Many WDBs supplement the program utilizing additional federal and/or state funding (the exact amounts are not tracked by Corrections and may vary from year to year).

15. Corrections negotiates contracts with each of the WDBs to determine the exact allocation of funds provided under the bill. According to the Department, increased funding is intended to expand the pre-release portion of the program to increase capacity at eight medium- and minimum-security institutions (Fox Lake Correctional, Jackson Correctional, Milwaukee Secure

Detention Facility, New Lisbon Correctional, Oregon Correctional, Oshkosh Correctional, Racine Correctional, and the Racine Youthful Offender Facility) to allow an additional 12 cohorts of WTW programming, with an approximate increase of 96 participants being served per year (eight individuals per cohort). In a 2022 survey, these institutions were identified by the Department's Reentry Unit as having the need and ability to expand access to WTW services.

16. The bill does not specify how the funding would be allocated between WDBs. Rather, as under the current program, Corrections would negotiate contracts with the WDBs to provide the services Corrections determines may be appropriate for WTW participants in a particular WDB area. This process requires the WDBs to outline the dollar amount and funding allocations necessary for its anticipated participant population. These assessments are sent to the Reentry WTW Coordinator, and are used by Corrections to determine the final allocation of funds. While the proposal would only expand the institutional, pre-release portion of the WTW program, funding still goes through the WDBs that have the institutions in their jurisdiction, as opposed to going directly to the institutions. The WDBs contractually oversee all components of the WTW program, and often supervise the same individuals pre-release and post-release, so it is beneficial for WDB staff to build rapport and begin working with inmates during the pre-release programming phase.

17. Given the program's successful post-release job placements, the Committee may wish to provide \$250,000 GPR annually to expand the program to allow for an additional 96 participants per year. Under this alternative, WTW would expand existing pre-release programming at eight institutions. The Department, through contracts with the WDBs serving the geographic areas in which the institutions are located, would have discretion to allocate funding based on estimated offender need in the WDB area served. [Alternative 1]

18. While the Department indicates that WTW participation is increasing, as of May, 2023, institutional populations remain lower than the average daily population in every fiscal year since 2001-02 (with the exception of 2020-21 and 2021-22, when the public health emergency impacted populations). As a result, the Committee could instead provide \$200,000 GPR annually to expand the program on a smaller scale. This is the same amount provided in the 2021-23 biennial budget. Under this alternative, the Department would have to negotiate contract agreements and expand the program with a smaller budget available for distribution. [Alternative 2]

19. On the other hand, the Department projects enrollments for 2023-24 and 2024-25 to surpass pre-public health emergency fiscal years with additional funding for expansion, as program eligibility currently exceeds availability. If an additional \$300,000 GPR annually was provided, the Department could allocate increased monies to WDBs to assist with increased populations and expand programming, and/or use additional funding to hire additional personnel, pay for travel costs, or provide client service funds to address barriers to employment (such as the purchase of work supplies, clothing, bus passes, state identification cards, driver's license cards, tuition, rent subsidies, or on-the-job training). [Alternative 3]

20. The Department currently has approximately \$1.9 million GPR in base resources budgeted for WTW, after receiving WTW funding increases in each of the past three biennial budgets. If the Committee does not take any action, base resources would be available to continue the existing program. [Alternative 4]

ALTERNATIVES

1. Provide \$250,000 GPR annually to expand the Department's Windows to Work program to include an additional 96 participants per year.

ALT 1	Change to Base
GPR	\$500,000

2. Provide \$200,000 GPR annually to expand the Department's Windows to Work program.

ALT 2	Change to Base
GPR	\$400,000

3. Provide \$300,000 GPR annually to expand the Department's Windows to Work program.

ALT 3	Change to Base
GPR	\$600,000

4. Take no action.

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June 6, 2023

Joint Committee on Finance

Paper #300

Local Law Enforcement Reimbursement (Corrections -- Adult Institutions)

[LFB 2023-25 Budget Summary: Page 138, #18]

CURRENT LAW

Statutes require that county clerks may submit reimbursement claims of counties containing state prisons or juvenile correctional facilities to the Department of Corrections for certain expenses incurred or paid by the county in reference to all matters growing out of actions and proceedings involving prisoners in state prisons or juveniles in juvenile correctional facilities. Base funding for the appropriations is: (a) \$41,000 GPR associated adult correctional institutions; and (b) \$95,000 GPR associated with juvenile correctional institutions.

The Department of Corrections also currently reimburses two jurisdictions (the Village of Allouez and the County of Dodge) for costs associated with local law enforcement investigative services to correctional facilities in those jurisdictions.

DISCUSSION POINTS

1. The Department has a sum sufficient GPR appropriation for reimbursement claims of counties containing state prisons. The appropriation is designed to "pay all valid claims made by county clerks of counties containing state prisons." This appropriation is currently used exclusively for reimbursing counties for expenses incurred in connection with certain inmate litigation, and not for local law enforcement investigative services. Examples of allowable reimbursements under this appropriation include lawsuits, costs related to writs of habeas corpus or writs of certiorari involving an inmate's status as a prisoner, and costs related to extradition. Examples of non-allowable reimbursements include civil lawsuits, costs related to inmate accounts, family related litigation, and any costs unrelated to litigation. An identical appropriation exists for juvenile correctional facilities.

2. To receive reimbursement under the reimbursement claims of counties with state prisons

appropriation, counties must establish a memorandum of understanding with the Department, complete a departmental form, and provide supporting documentation (for example, in a criminal case, the case number and caption of the case). The form and documents are then subject to the audit process outlined in statute (s. 16.51(7)) for expense claims in connection with prisoners in correctional facilities. After review, the requesting counties are reimbursed for all approved expenses.

3. When an incident occurs in, or on the grounds of, a state correctional facility beyond the control of existing correctional security staff, the local law enforcement entity is called to respond to the situation. Examples of incidents that may require local law enforcement response include death investigations, assaults or batteries on facility staff, Prison Rape Elimination Act (PREA) situations, and drug investigations.

4. The current statutory reimbursement appropriation language does not apply to local law enforcement investigative services, and also only includes counties (as opposed to other municipal jurisdictions). As a result, Corrections currently reimburses two local units of government for local law enforcement services rendered to adult correctional facilities directly from its general program operations appropriation.

5. The Dodge County Sheriff's Department receives reimbursement for actual expenses associated with local law enforcement investigations at correctional institutions within the county. Dodge County has more correctional facilities than other counties in the state. These facilities include the Dodge Correctional Institution, Waupun Correctional Institution, Fox Lake Correctional Institution, and the John C. Burke Center (along with the Waupun Farm, and the Fox Lake Farm). As a result, the Dodge County Sheriff's Department entered into a memorandum of understanding with the Department of Corrections, whereby one full-time detective responds to all calls to correctional facilities within the county (additional personnel may respond if the situation requires). The Sheriff's Department then sends quarterly invoices of the investigative costs to Corrections, subject to review by the Department, before receiving reimbursement for the approved expenses. Corrections does not have specific funds budgeted for this purpose.

6. In 2021-22, Dodge County submitted invoices and was reimbursed for \$25,800 in local law enforcement investigative services expenses. This amount is significantly lower than the past several years (\$33,100 in 2020-21, \$36,300 in 2019-20, and an average of \$82,000 each in 2017-18 and 2018-19), largely due to the public health emergency, when inmate populations were reduced and in-cell confinement was increased.

7. In addition to Dodge County, the Village of Allouez (Brown County) also receives reimbursement from Corrections' general program operations appropriation for expenses associated with local law enforcement investigative costs at Green Bay Correctional Institution (GBCI). The Brown County Sheriff's Department provides law enforcement services to Allouez under contract, because Allouez does not have a local police department. Allouez pays Brown County per-hour for the law enforcement services rendered to the jurisdiction, including services rendered to GBCI. However, unlike Dodge County, reimbursement for Allouez was provided as a result of a budget motion in the 2019-21 biennial budget. Given that a specific amount of funding was provided (\$60,000 GPR per fiscal year) the reimbursement process differs from Dodge County. The Department of Corrections finalized a memorandum of understanding with the Village of Allouez for

reimbursement at the end of 2020, and pays Allouez a set amount of \$15,000 per quarter.

8. In addition to Allouez and Dodge County, 2019 Assembly Bill (AB) 811 proposed reimbursing the Village of Redgranite \$8,000 GPR annually for similar expenses. The bill was passed by the Assembly but did not pass the Senate, pursuant to 2019 Senate Joint Resolution 1.

9. The budget bill would modify the existing sum sufficient appropriations (one for state prisons and one for juvenile correctional facilities) to allow the Department to reimburse counties or municipalities (including cities, villages, or towns) for certain expenses involving prisoners. The bill specifies that these actions include expenses relating to law enforcement investigative services provided for matters involving a prisoner in a state prison or a juvenile in a juvenile correctional facility within its jurisdiction. Reimbursement claims of counties or municipalities containing state prisons or juvenile correctional facilities must be made by clerks of counties, cities, villages, and towns. Further, the bill would create statutory language to provide that the clerk of any town or city (including 1st Class cities (Milwaukee)) that is entitled to reimbursement must make a certified claim against the state, without direction from the county board or common council, in all cases in which reimbursement is directed upon forms prescribed by the Department of Administration (DOA). The forms must contain information required by the clerk and must be filed annually with the DOC, on or before June 1st.

10. In addition to statutory changes, \$125,700 GPR annually would be reallocated from the Division of Adult Institutions' general program operations appropriation to the reimbursement claims of counties or municipalities containing state prisons appropriation for reimbursement purposes. The amount being transferred was determined based on the amounts provided to Allouez for local law enforcement investigative services provided to GBCI (\$60,000 annually) and the estimated amounts provided to Dodge County (approximately \$65,700 annually, based on an average of actual costs from 2017-18 and 2018-19 (pre-COVID pandemic) and from 2020-21 (the most recently available billings at the time the provision was calculated)). The recommended reallocation is in part based on historical averages for Dodge County in pre-public health emergency periods, and is likely more reflective of future costs than the 2021-22 amount (\$25,800). The reallocation would move these amounts to the adult reimbursement claims appropriation and would allow for all reimbursement funds to come from the same appropriation.

11. It is difficult to estimate the total cost to the Department, if all eligible jurisdictions submit invoices for reimbursement under the bill, because reimbursement is based on actual expenses, which hinge on the number and size of incidents at correctional facilities requiring local law enforcement response.

12. The budget bill is similar to what was proposed in the 2021-23 biennial budget, and also to 2021 AB 569, although Assembly Amendment 1 to the bill removed language that would have allowed cities, villages, and towns to receive reimbursement from the sum sufficient appropriations. The enrolled bill (AB 569), with the adopted amendment, was vetoed by the Governor on April 8, 2022. In the veto message, the Governor indicated that the decision to veto was due to the removal of the funding necessary to support the legislation. The bill as introduced would have reallocated \$142,000 GPR annually.

13. The language included in the budget bill is the same as requested by Department in its 2021-23 agency budget request. For ease of organization and distribution of funds, the Committee may wish to approve the statutory changes and reallocation to more similarly provide reimbursements among jurisdictions with correctional facilities and to better align reimbursement funding with reimbursement appropriations. [Alternative 1] Under this alternative, Allouez and Dodge could still receive reimbursement, but would be required to follow the uniform process and once-per-year reimbursement criteria for actual expenses (including submitting documentation of actual expenses to Corrections), similar all other jurisdictions with correctional facilities.

14. Alternatively, the Committee could adopt the statutory changes and reallocation described in Alternative 1, but specify that reimbursement for Allouez and Dodge County remain as-is under current practices. This is similar to the 2021 AB 569 proposal. The recommended reallocation of \$125,700 would occur, and reimbursement of Allouez and Dodge would be provided from the reimbursement claims of counties or municipalities containing state prisons appropriation (as opposed to the general program operations appropriation), but Allouez would continue to receive a set amount of funding each quarter (\$15,000), as opposed to being required to submit invoices for actual expenses, and Dodge, while already submitting invoices for actual expenses, would continue to receive reimbursement each quarter, as opposed to once-per-year under the bill. [Alternative 2]. While maintaining the status quo for Allouez and Dodge, this alternative would introduce three different reimbursement processes for the same type of reimbursement claim, depending on which jurisdiction is requesting reimbursement.

15. In addition to the Department of Corrections appropriations used for reimbursement, DOA provides annual municipal service payments (MSP) to reimburse municipalities for a portion of eligible property tax supported expenses, including police expenses, incurred in providing services to state facilities and on state land. According to MSP guidelines, municipalities with correctional facilities receive a reduced MSP payment for police services, as state personnel (correctional officers and sergeants) assist with some police services within institutions. Specifically, DOA deducts 80% of the base entitlement for minimum- and medium-security correctional institutions, and 90% for maximum-security institutions. The Department of Administration pays a percentage of the remaining 20% or 10% respectively, to the municipality. These payments are provided to cities, towns, and villages, and not to counties. County sheriff's departments that provide services to a state facility may receive payment from a municipality under an intergovernmental agreement. Any compensation paid by the municipality to the sheriff's department would be an eligible police expense for which the municipality would be eligible for reimbursement.

16. The calendar year 2023 payment schedule (for services provided during calendar year 2021) includes 21 municipalities receiving a police municipal services payment based on correctional facilities. Of the \$24,205,600 in MSP entitlements in 2022, approximately \$646,900 were associated with these facilities. At a proration rate of 38.12%, \$246,600 in MSP were made to municipalities associated with police costs at Corrections facilities.

17. Despite the small amount of MSP police payments associated with correctional facilities, some jurisdictions may receive more than 100% reimbursement under the bill. The bill provides 100% reimbursement to counties and municipalities for law enforcement services rendered

to state correctional facilities. However, given the proposed statutory expansion and the structure of MSP payments, some of these jurisdictions may also be receiving partial reimbursement from DOA in addition to the full reimbursement from Corrections for police services rendered to state facilities/lands. Given this possibility, the Committee may consider approving Alternative 1, but also requiring DOA to remove police MSP for correctional facilities from the MSP formula. This alternative would put the responsibility on the local jurisdictions to submit the required documentation to Corrections to receive reimbursement, and would also prevent any payments beyond a 100% reimbursement. [Alternative 3]. It is important to note that some municipalities have multiple state facilities/lands, including a combination of both correctional and non-correctional facilities/lands. This alternative would only impact MSP police costs related specifically to correctional facilities/lands. The alternative would allow monies not distributed as MSP associated with police services at correctional institutions to be redistributed within the existing formula.

18. Corrections has indicated that it is willing to work with other law enforcement agencies to reimburse costs (similar to the manner in which Dodge County is currently reimbursed) without additional legislation. As a result, the Committee could take no action related to this item. However, without statutory language changes, any agreed-upon reimbursement would come from the general program operations appropriation (only if funding is available), as opposed to the sum sufficient reimbursement claims of counties appropriation as discussed above. [Alternative 4]

ALTERNATIVES

1. Modify the current sum sufficient appropriations and other statutes related to reimbursement claims of counties containing state correctional facilities to allow the Department of Corrections to reimburse all jurisdictions for local law enforcement investigative services rendered to state correctional facilities from the appropriations. Reallocate \$125,700 GPR within the Department for reimbursement purposes from general program operations to the reimbursement claims of counties or municipalities containing state prisons appropriation.

2. Adopt Alternative 1, but additionally specify that Dodge County and the Village of Allouez would continue to receive reimbursement as provided under current practices.

3. Adopt Alternative 1, but additionally require DOA to remove police municipal service payments for correctional facilities from their municipal service payments formula.

4. Take no action.

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CORRECTIONS

Adult Institutions

LFB Summary Items for Which No Issue Paper Has Been Prepared

<u>Item #</u>	<u>Title</u>
6	Fuel and Utilities
7	Institutional Repair and Maintenance
13	Increase Staffing in the Women's Correctional Center System
14	Convert Limited-Term Employee Pharmacy Technician Positions to Full-Time Employee Positions
15	Convert Contracted Positions to Full-Time Employee Positions
16	Wisconsin Secure Program Facility Health Service Unit Supplies and Services
17	Full Funding of the Central Generating Plant Position

LFB Summary Item to be Addressed in a Subsequent Paper

<u>Item #</u>	<u>Title</u>
12	Metal Stamping Expansion (Transportation -- Division of Motor Vehicles) (Paper #790)

