

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 725** HLS 20RS 1115

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 4, 2020	5:59 AM	Author: MARCELLE
Dept./Agy.: Corrections Services		Analyst: Alan M. Boxberger
Subject: Relative to telecom services for correctional facilities		

PUBLIC SERVICE COMN OR -\$6,000,000 SG RV See Note Page 1 of 1
Provides relative to telecommunication services to persons incarcerated in a correctional facility

Present law authorizes the office of telecommunications management, through the state purchasing office, to enter into telecommunication services contracts on behalf of state agencies. Proposed law prohibits any telecommunication service from charging a person incarcerated in a correctional facility, or any person accepting a call from the incarcerated person, and prohibits any contract for telecommunication services provided to persons incarcerated in correctional facilities in the state from including provisions which authorize charges to the person incarcerated or the person accepting a telephone call from the incarcerated person.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	(\$6,000,000)	(\$6,000,000)	(\$6,000,000)	(\$6,000,000)	(\$6,000,000)	(\$30,000,000)
Ded./Other	(\$63,000)	(\$63,000)	(\$63,000)	(\$63,000)	(\$63,000)	(\$315,000)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$6,063,000)	(\$6,063,000)	(\$6,063,000)	(\$6,063,000)	(\$6,063,000)	(\$30,315,000)

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. While proposed law does not directly impact state or local governmental expenditures, it does eliminate the revenues used to support certain functions within the Department of Public Safety and Corrections - Corrections Services (DPSC) (\$6 M SGR), the Public Service Commission (\$63,000 Statutory Dedications) and local correctional facilities (unknown but likely significant Local Funds).

NOTE: To the extent that the legislature continues to fund the state activities in DPSC and the Public Service Commission at the same level in subsequent fiscal years, the funding sources supporting the base expenditures must be replaced by SGF or another revenue source to supplant the loss of SGR or SD, respectively. These activities would compete for annual SGF resources along with other significant SGF supported services. Likewise, local correctional facilities would require local governing authorities to supplant any loss of funds from general operating revenues in order to maintain current activity levels.

REVENUE EXPLANATION

Proposed law would result in significant revenue reductions for the Department of Public Safety and Corrections - Corrections Services (DPSC) (\$6 M SGR), the Public Service Commission (\$63,000 Statutory Dedications) and local correctional facilities (unknown but likely significant Local Funds). DPSC reports that its current contract for inmate-accessed telecommunication services generates \$6 M SGR annually.

The Public Service Commission reports that fifteen current telephone service providers would be impacted, resulting on a loss of fees paid by public utilities to the Public Service Commission based on gross receipts levels (estimated at \$63,000 for FY 21). The impact in future fiscal years is indeterminable and will be based on revenue data for the corresponding time periods. For purposes of this fiscal note, the LFO has included the \$63,000 decrease through all out years to identify potential impact, even though the amounts may vary.

Local correctional facilities will likewise realize a significant loss of Local Funds revenues. The amount is unknown but likely significant.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
Evan Brasseaux
Staff Director