

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 1126** HLS 14RS 2063
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 9, 2014	8:47 AM	Author: PYLANT
Dept./Agy.: Corrections		Analyst: Stephanie C. Blanchard
Subject: Correctional facilities		

CORRECTIONS OR INCREASE GF EX See Note Page 1 of 1
 Provides with respect to correctional facilities

Proposed law requires the secretary of DPS&C to house individuals committed to the department in state correctional facilities and local jails based upon the security requirements of each individual, the medical needs of the individual, and in the most cost-efficient manner. DPS&C will consider several factors in making determinations regarding the housing of inmates in the custody of the department. Any facility housing individuals shall meet the rehabilitation, training, and security needs established by the department. The provisions shall nor be construed to impair the obligations of any contract into by DPS&C and a private correctional facility prior to August 1, 2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation will result in an indeterminable increase in SGF expenditures for the Department of Public Safety and Corrections (DPS&C). To the extent all state inmates have to be processed from Elayn Hunt Correction Center, DPS&C will likely need additional staff and resources. Although the legislation appears to anticipate DPS&C is currently complying with the requirements of this bill relative to state prisoner intake, DPS&C believes this bill requires modification to current intake practices for state inmates. To the extent DPS&C's interpretation is correct, the department will likely require significant additional resources. However, the LFO cannot determine the level of resources and staff required. It is also unknown if the capacity to process the increased offenders currently exists.

NOTE: It appears the bill's intention is for state inmates to be housed at the state and local level before inmates are sent to private prisons.

Based on the DPS&C interpretation, the proposed legislation will increase state general fund expenditures by \$82.5 million in FY 15 and \$12.5 million in subsequent years. DPS&C's interpretation is that all offenders in custody of DPS&C would be processed through Elayn Hunt Correctional Center. Currently, the DPS&C processes approximately 5,000 offenders per year at Elayn Hunt Correctional Center out of the 12,000 to 15,000 new state offenders annually. Assuming the 2.5 times the current number of 450 offenders, it would cost the state approximately \$82.5 million in the first year. The first year's expenditures would include \$3.5 million to operate the reception and diagnostic center for 5,000 offenders, plus additional costs of approximately \$6 million in salaries and related benefits for approximately 123 new positions, \$3 million in additional supplies, and \$70 million for the construction costs to add 1,000 cells in order to house these offenders. Currently, Elayn Hunt Correctional Center has approximately 400 cells for processing and are normally full. In order to maintain operations in subsequent years it would cost approximately \$12.5 million annually.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate	<u>Dual Referral Rules</u>	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> Evan Brasseaux Staff Director
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}		
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}		