

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1372-02
Bill No.: SB 355
Subject: Corrections Department; Prisons and Jails; Probation and Parole
Type: Original
Date: February 12, 2015

Bill Summary: This proposal requires certain employees of the Department of Corrections to receive hazardous duty pay.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|----------------------|-----------------------|-----------------------|
| FUND AFFECTED | FY 2016 | FY 2017 | FY 2018 |
| General Revenue | (\$3,364,138) | (\$10,092,414) | (\$13,456,552) |
| Total Estimated Net Effect on General Revenue | (\$3,364,138) | (\$10,092,414) | (\$13,456,552) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------------|------------------|------------------|
| FUND AFFECTED | FY 2016 | FY 2017 | FY 2018 |
| Inmate Revolving | (\$2,260) | (\$6,780) | (\$9,040) |
| Total Estimated Net Effect on <u>Other</u> State Funds | (\$2,260) | (\$6,780) | (\$9,040) |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2016 | FY 2017 | FY 2018 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2016 | FY 2017 | FY 2018 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2016 | FY 2017 | FY 2018 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Corrections (DOC)** state this legislation will have significant fiscal impact on DOC. By FY 2018, this proposal will cost over \$13 million.

| | <u>General Revenue Fund</u> <u>FY 2015 Budgeted FTE</u> | <u>Inmate Revolving Fund</u> <u>FY 2015 Budgeted FTE</u> |
|------------------------------|--|---|
| Corrections Officer I | 4,723.91 | 4 |
| Corrections Officer II | 631 | 0 |
| Corrections Officer III | 206 | 0 |
| Corrections Supv I | 107 | 0 |
| Corrections Supv II | 24 | 0 |
| Probation and Parole Asst I | 213.38 | 0 |
| Probation and Parole Asst II | <u>49.20</u> | <u>0</u> |
| TOTAL | 5,954.49 | 4 |

GENERAL REVENUE FUND (5,954.49 FTE)

| | <u>Haz. Duty Pay</u> | <u>Fringe (25.55%)</u> | <u>Total</u> |
|--|----------------------|------------------------|--------------------|
| FY 2016 - 2nd 6 months @ \$75 per month | \$2,679,521 | \$684,618 | \$3,364,139 |
| FY 2017 - 1st 6 months @ \$75 per month | \$2,679,521 | \$684,618 | \$3,364,139 |
| FY 2017 - 2nd 6 months @ \$150 per month | \$5,359,041 | \$1,369,235 | <u>\$6,728,276</u> |
| Total for FY 2017 | | | \$10,092,415 |
| FY 2018 - 12 months @ \$150 per month | \$10,718,082 | \$2,738,470 | \$13,456,552 |

INMATE REVOLVING FUND (4 FTE)

| | <u>Haz. Duty Pay</u> | <u>Fringe (25.55%)</u> | <u>Total</u> |
|--|----------------------|------------------------|----------------|
| FY 2016 - 2nd 6 months @ \$75 per month | \$1,800 | \$460 | \$2,260 |
| FY 2017 - 1st 6 months @ \$75 per month | \$1,800 | \$460 | \$2,260 |
| FY 2017 - 2nd 6 months @ \$150 per month | \$3,600 | \$920 | <u>\$4,520</u> |
| Total for FY 2017 | | | \$6,780 |
| FY 2018 - 12 months @ \$150 per month | \$7,200 | \$1,840 | \$9,040 |

ASSUMPTION (continued)

Officials from the **Office of Administration - Division of Personnel** state they will have to implement the "hazardous duty compensation" called for in the proposal into its pay plan recommendations to the Personnel Advisory Board. The Division assumes this can be accomplished with existing resources.

| <u>FISCAL IMPACT - State Government</u> | FY 2016 (10 Mo.) | FY 2017 | FY 2018 |
|---|-----------------------------|------------------------------|------------------------------|
| GENERAL REVENUE FUND | | | |
| <u>Costs - Department of Corrections</u> | | | |
| Hazardous Duty pay (plus fringe benefits) for corrections officers and probation and parole officers of \$75 per month in 2016 and \$150 per month beginning January 2017 | <u>(\$3,364,138)</u> | <u>(\$10,092,414)</u> | <u>(\$13,456,552)</u> |
| ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND | <u>(\$3,364,138)</u> | <u>(\$10,092,414)</u> | <u>(\$13,456,552)</u> |
| INMATE REVOLVING FUND | | | |
| <u>Costs - Department of Corrections</u> | | | |
| Hazardous Duty pay (plus fringe benefits) for corrections officers and probation and parole officers of \$75 per month in 2016 and \$150 per month beginning January 2017 | <u>(\$2,260)</u> | <u>(\$6,780)</u> | <u>(\$9,040)</u> |
| ESTIMATED NET EFFECT TO THE INMATE REVOLVING FUND | <u>(\$2,260)</u> | <u>(\$6,780)</u> | <u>(\$9,040)</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2016 (10 Mo.) | FY 2017 | FY 2018 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

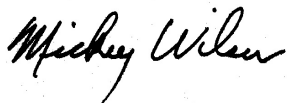
This act provides that, beginning January 1, 2016, corrections officers and probation and parole assistants must receive, in addition to their regular pay, \$75 per month for hazardous duty pay.

Beginning January 1, 2017, corrections officers and probation and parole assistants must receive, in addition to their regular pay, \$150 per month for hazardous duty pay.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Corrections
Office of Administration



Mickey Wilson, CPA
Director
February 12, 2015

Ross Strobe
Assistant Director
February 12, 2015