

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4734-01
Bill No.: SB 604
Subject: Corrections Department; Prisons and Jails
Type: Original
Date: February 8, 2016

Bill Summary: This proposal requires the Department of Corrections to offer certain educational and job training programs to inmates.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(Could exceed \$364,996)	(Could exceed \$364,137)	(Could exceed \$368,051)
Total Estimated Net Effect on General Revenue	(Could exceed \$364,996)	(Could exceed \$364,137)	(Could exceed \$368,051)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	Could exceed 6 FTE	Could exceed 6 FTE	Could exceed 6 FTE
Total Estimated Net Effect on FTE	Could exceed 6 FTE	Could exceed 6 FTE	Could exceed 6 FTE

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 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Corrections (DOC)** state the proposal would have the following impact:

Section 217.445 (1): DOC states they would need additional FTE and personal services funding in order to increase the number of offenders who earn a general educational development certificate (GED) or its equivalent. It is unclear how many additional school seats would be needed to meet this requirement but for the purposes of this fiscal note, but DOC assumes that 1.00 FTE (academic teacher) can teach 45 students per day (3 classes with 15 offenders in each class). Until the number of additional seats is established, the impact of this section is unknown.

Despite funding reductions in previous fiscal years, during FY15 the Department had an average of 5,232 students in academic education classroom seats each month. During FY15, 2,149 offenders took the HISET and 1,617 passed it and obtained their HS equivalency (75.24 % pass rate). There were 13,295 total offenders served in academic classes during FY15.

Section 217.445 (2): Section (2) of this legislation relates to offender programs such as stress management, anger management, workforce preparation and other skills needed to achieve self-sufficiency for a successful transition from incarceration. Department employees, volunteers and community partners are already providing this programming to include the following core programs:

Pathway to Change - Cognitive restructuring program offered at all institutions that assists offenders in learning to examine their values and attitudes, identify factors that lead to criminal behavior, recognize and correct thinking errors, make responsible decisions, and develop successful relationships.

Anger Management - Department developed program offered at all institutions designed to teach offenders strategies to manage anger.

Restorative Justice - Department program offered at all institutions that encourage offenders to reflect on the harm caused by their criminal activity and to make restoration to victims, the community and their families. Restorative Justice also provides offenders the opportunity to leave the system with an improved attitude and sense of belonging as well as strengthening the social bonds that serve as the foundation of our communities.

ASSUMPTION (continued)

Impact of Crime on Victims - Program offered at all institutions that provides victims with a safe and structured environment to talk about the impact of crime on their lives, which assists offenders to develop sensitivity toward victims and helps to prevent further victimization. Through these classes offenders are expected to develop respect for the rights of others and to be held accountable for their behavior.

Employability Skills - DAI is in the process of revamping the Life Skills program of instruction as a workforce readiness class for offenders to be offered at all our institutions. The program will be structured to provide the offenders with the skills and knowledge (application completion, resume and cover letter writing, interviewing techniques, typing skills, money management, etc.) that will aid the offender when seeking employment.

Inside/Out Dad - Parenting program offered at all male institutions to assist offenders in learning how to become involved, responsible and committed fathers by connecting with their children during incarceration and upon release.

In addition, department staff, volunteers and community partners offer a multitude of other programs such as 4-H LIFE, Girls Scouts Beyond Bars, PATCH, Parents as Teachers, Criminal Thinking, Intensive Therapeutic Community, Puppies for Parole, substance abuse education, faith-based programs, etc.

The Department assumes this part of the legislation is currently being met and no additional resources would be required.

Section 217.445 (3): DOC also already works with educational institutions, training facilities, and employers to offer a variety of training programs that provide occupational certification or licensure upon completion of course-work and which ensure offenders transitioning from incarceration have a copy of any certification or license they earned.

During FY15, we had an average of 441 students enrolled in Career/Tech classes each month. The Department has 18 different programs spread throughout 9 prisons. 1,552 offenders earned a vocational training certificate during FY15. All classes are certified by the Department of Labor, and the certificates are awarded from the Department of Labor.

ASSUMPTION (continued)

Career/Tech classes are typically 360 hours in length and include Auto Mechanics, Business Technology, Cosmetology (1,220 hours), Diesel Mechanics, Certified Nurse's Assistant (CNA), Culinary Arts, Building Trades, Professional Gardening/Landscaping, Web Design, Plumbing, Commercial Vehicle Operator (truck driving), etc.

Missouri Vocational Enterprises (MVE) employs approximately 1,263 offenders each day - All offenders employed by MVE have a high school diploma or have passed the High School Equivalency test.

Approximately 50 offender positions within MVE qualify for the U.S. Department of Labor's Apprenticeship Program. To date, MVE has issued 1,173 Certificates recognized by the U.S. Department of Labor to offenders. MVE has 380 offenders currently enrolled in this program. Offender jobs within MVE that meet the US Dept of Labor Apprenticeship requirements include Graphic Designer, Production Worker, Graphic Drafter, Industry Machinery Mechanic, Inspector/Tester, Computer Operator, etc. MVE also issues 2,000 Hour On-The-Job Training Certificates, Computer Literacy Certificates, Typing Skills Certificates, and Workplace Essential Skills Certificates to offenders.

The Department assumes this part of the legislation is currently being met and no additional resources would be required.

Section 217.445 (4): Provide offenders with access to the Occupational Safety and Health Association's 10-hour Outreach Training Program for General Industry.

The Department has six (6) vocational education locations in prisons with industry programs where it would be appropriate to provide the OSHA program. The cost of providing this program would be FTE, personal services costs, and expense and equipment for one Vocational Education Teacher III per site. It would also include initial startup costs of:

- OSHA #501 Course Work (train the trainer) \$800 plus \$660 travel expenses for a 4 day training period per individual.
- OSHA #511 Course Work (industry standards) \$750 plus \$380 travel expenses for a 3 day training period per individual.

In summary, the fiscal impact of this legislation would be \$364,996 to Unknown for the first year (6 additional FTE), \$364,137 to Unknown for the second year, and \$368,051 to Unknown for the third year.

ASSUMPTION (continued)

Officials from the **Department of Labor and Industrial Relations, Department of Economic Development, Department of Elementary and Secondary Education, and the Department of Higher Education** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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GENERAL REVENUE

<u>Costs</u> - DOC - to comply with §217.455(1) - increase the number of offenders who earn a GED or its equivalent	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
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<u>Costs</u> - DOC - to comply with §217.455(4) - provide offenders with access to the OSHA's 10-hour Outreach Training Program for General Industry			
Personal Service (6 FTE)	(\$187,745)	(\$227,547)	(\$229,822)
Fringe Benefits	(\$97,637)	(\$118,336)	(\$119,519)
Expense & Equipment	<u>(\$79,614)</u>	<u>(\$18,254)</u>	<u>(\$18,710)</u>
<u>Total Costs - DOC</u>	<u>(\$364,996)</u>	<u>(\$364,137)</u>	<u>(\$368,051)</u>
FTE Change - DOC	6 FTE	6 FTE	6 FTE

ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	(Could exceed <u>\$364,996</u>)	(Could exceed <u>\$364,137</u>)	(Could exceed <u>\$368,051</u>)
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Estimated Net FTE Change for the General Revenue Fund	Could exceed 6 FTE	Could exceed 6 FTE	Could exceed 6 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<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.

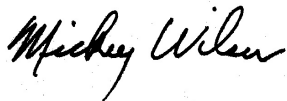
FISCAL DESCRIPTION

This act requires the Department of Corrections to enhance educational programs offered by the department to increase the number of offenders who earn GEDs, provide job and life skills training, work with schools and employers to offer a variety of training programs that provide occupational certification or licensure, and ensure offenders transitioning from incarceration have a copy of any certification or license they earned.

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
Department of Elementary and Secondary Education
Department of Higher Education
Department of Labor and Industrial Relations
Department of Economic Development



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Director
February 8, 2016

Ross Strobe
Assistant Director
February 8, 2016