

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1286-01
Bill No.: HB 445
Subject: Prisons and Jails; Corrections Department; Tobacco Products
Type: Original
Date: February 22, 2011

Bill Summary: This proposal prohibits smoking and any use of tobacco products in any state correctional center or the grounds thereof.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

Officials from the **Office of Administration - Facilities Management/Design Construction** assume the proposal would not create a fiscal impact.

Officials from the **Department of Corrections (DOC)** state passage of this proposal will have many implications for DOC as follows:

- The effective date of this bill will be August 28, 2011, with no time to implement smoking cessation programs for both staff and inmates.
- There could be an immediate potential impact if the department is required to provide smoking cessation programs and aides to staff. Costs to the department would be associated with smoking cessation programs.
- This legislation could potentially cause an increase in turnover rates due to individuals who are not willing or able to participate in cessation programs.
- Currently tobacco products are sold through the Canteen. Canteen funds are used to pay for offender recreation, education, the offender law library and religious services. We are unable to predict the impact of lost sales and what potential product would need to be replaced in order to replace these sales. General Revenue may have to be used to replace the funds currently used for recreation, education, the offender law library and religious services.
- There is the potential for future savings to be generated from the offender medical contract, but they are long-term and unknown.

In summary, passage of this bill will have an Unknown impact for the DOC per each fiscal year.

According to the proposal, any person who violates the no-smoking or use of tobacco products in any area of a state correctional center or the grounds thereof would be guilty of an infraction. **Oversight** assumes these infractions will not result in a material amount of fine revenue collected for local school districts.

ASSUMPTION (continued)

Oversight will also assume the potential positive benefits to the state (savings from decreased medical costs) will be more than the potential costs (cessation programs and replacement funding for lost canteen proceeds).

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE			
<u>Savings</u> - Department of Corrections			
Lower medical costs due to no tobacco policy	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
 <u>Costs</u> - Department of Corrections			
Potential for state to provide smoking cessation programs, and to replace canteen proceeds used for various programs	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<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.

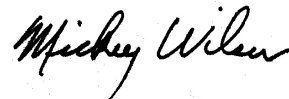
FISCAL DESCRIPTION

This bill prohibits any person from smoking or using tobacco products in any area or on the grounds of a state correctional facility. Anyone violating this provision will be guilty of an infraction.

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 the State Courts Administrator
Office of Administration



Mickey Wilson, CPA
Director
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