

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1086-01  
Bill No.: HB 742  
Subject: Prisons and Jails; Corrections Department  
Type: Original  
Date: April 2, 2013

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Bill Summary: This proposal requires the Department of Corrections to get eligible inmates certified prior to their release, to get all inmates bonded, and to issue worker certificates for those not eligible for certification.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

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

Officials from the **Department of Corrections (DOC)** state it is agreed implementing such a bonding/certification program may positively impact the ability of offenders to find employment upon release. The DOC currently provides bonding and Department of Labor Certificates for many jobs. In addition, the DOC offers career and technical programs that offenders can participate in prior to release in which they receive certifications, many of which are nationally accredited and recognized. The Division of Offender Rehabilitative Services (DORS) staff consistently studies the job market and job availability to ensure the training programs provided offenders will be useful in helping them to obtain employment.

The DOC releases approximately 18,000 offenders annually. Providing certification for each of these offenders is likely to result in an increased workload for the minimum security institutions, as they experience the most releases. Additional funding would be necessary to cover these costs.

Contact with Department of Economic Development revealed any state agency can be a bonding agency, however, it is not possible for inmates to be bonded and that carry over to an outside employer. It is up to the employer whether they want an employee to be bonded and the employer has to request such. Should something change in regard to this requirement, the bonds would have to be purchased and the fiscal amount is unknown.

In summary, passage of this proposal would have an unknown fiscal impact for the DOC per each year.

**Oversight** assumes, based on DOC's response, that they already provide many aspects outlined in the proposal. Therefore, Oversight assumes the provisions of the proposal would be able to be absorbed by the Department of Corrections.

The State Bonding Coordinator for the Federal Bonding Program is the Department of Economic Development - Division of Workforce Development.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<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

The proposed legislation appears to have no direct fiscal impact.

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 Labor and Industrial Relations  
Department of Economic Development



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Acting Director  
April 2, 2013

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