

Senate Finance / Department of Corrections Subcommittee
Subcommittee Members: Sen. Kiehl, Sen. Kawasaki, Sen. Tobin, & Sen. Wilson

Narrative Closeout Report
April 11, 2024

RECOMMENDATIONS:

The Senate Finance Budget Subcommittee for the Department of Corrections submits the following numbers section FY25 recommendations to the Senate Finance Committee:

Fund Group: (dollars are in thousands)	Senate Sub
Unrestricted General Funds (UGF)	411,331.0
Designated General Funds	14,813.2
Other Funds	10,358.7
Federal Funds	13,948.6
TOTAL FUNDS	450,451.5

Positions:	
Permanent Full-time	2124
Permanent Part Time	0
Temporary	0
TOTAL POSITIONS	2124

BUDGET ACTIONS:

The Senate Finance Budget Subcommittee for the Department of Corrections reviewed the FY25 budget request. The following are highlights of the Subcommittee's action.

Amended Budget Request:

The subcommittee accepted most of the governor's amended budget request. These items include:

1. An additional dental team for Goose Creek Correctional Center to address the Ombudsman's recommendations for appropriate dental care.
2. Funding for rising costs in commodities and services across all institutions.

Subcommittee Additions, Reductions and Changes:

The subcommittee made the following reductions:

1. The department plans to reduce halfway house costs using therapeutic placements and alternative step-down strategies. Therefore, the subcommittee reduced the increment in

Community Residential Centers by \$900.0. The rest of the increment is approved to reflect the significantly increased costs of CRCs.

2. The department has been managing institution populations to a 25% vacancy, driving up inmate transportation costs. The subcommittee reduced inmate transportation \$500.0 to reflect the recommendation the department manage to a 10% vacancy. We also recommend associated intent language below.
3. The Seward and Dillingham community jails are expected to be closed for FY25. The subcommittee removed the funding for these jails.

The subcommittee made the following additions:

1. The subcommittee expects the department to reinstate an agreement with the U.S. Marshals for the federal government to cover at least half the cost of inmates detained on federal and state charges. The entirety of this cost—almost \$8 million—was covered by UGF in the FY24 supplemental. The subcommittee changed the FY 25 fund source to UGF for half of the federal inmate day billing receipts. We also recommend associated intent language below.
2. The department is pursuing accreditation with the National Commission on Correctional Health Care using FY24 funds. The subcommittee added \$60.0 to fund annual renewal of the accreditation.
3. The subcommittee added a one-time increment of \$500.0 to increase IT connectivity in institutions. This will let the department save money through virtual court appearances, telehealth, and distance delivery of education.
4. The subcommittee added \$720.0 to offender habilitation for the Toyo Stove Repairer and Welding programs. \$400.0 of this amount is one-time startup costs. Both job training programs currently have significant waitlists.

The subcommittee recommended the following intent language:

1. It is the intent of the legislature that the Department shall not use transfers to maintain a greater than 10% vacancy rate in institutions.
2. It is the intent of the legislature that the Department negotiate with the U.S. Marshals for the State to pay no more than half the cost of federal prisoner days for inmates with both State and federal charges.
3. It is the intent of the legislature that the Department expand alternative step-down strategies, including therapeutic beds and day centers.
4. It is the intent of the legislature that the Department submit a report to the Co-chairs of the finance committees and the Legislative Finance Division by December 20, 2024 that sets forth a plan to increase efficiency of operating institutions, including avenues to reduce costs associated with unused beds.
5. It is the intent of the legislature that the Department report to the Co-chairs of the finance committees and the Legislative Finance Division on a quarterly basis the amount spent on overtime and other premium pay. These reports should include the Department's plan to complete the fiscal year without the need for a supplemental budget request.

6. It is the intent of the Legislature that the Department notify the Court System promptly when a person in pre-trial status has been on electronic monitoring for longer than the person's potential sentence.

Organizational Changes:

The subcommittee separated overtime and other premium pay for population management into a separate appropriation. This will allow more transparency and easier tracking of the amount spent on overtime and other premium pay.

Additional Recommendations to Full Finance:

The subcommittee recommends the full Finance Committee add interagency receipt authority and program receipts, with an associated UGF decrement in pre-trial electronic monitoring. The subcommittee recommends the department use this authority to collect half the cost of pre-trial electronic monitoring for individuals who score low risk on the pre-trial assessment tool from the party requesting the electronic monitoring.

ATTACHED REPORTS

The Senate Finance Subcommittee for the Department of Corrections adopts the following attached reports:

1. Agency Totals
2. Trans Compare 1: Adjusted Base to Senate Subcommittee
3. Trans Compare 2: Gov Amend+ to Senate Subcommittee
4. Trans Compare 3: House Subcommittee to Senate Subcommittee
5. Wordage

Respectfully Submitted,

Senator Jesse Kiehl