

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 20(FIN)
 (H) Publish Date: 3/26/02

Revision Date/Time 03/25/02 3:40 p.m. Dept. Affected: Corrections
 Title An Act relating to municipal BRU Administration and Operations
dividends; and providing for an effective date Component Community Jails
 Sponsor Representative Moses, Davies,.....
 Requester Finance Component No. #2035

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(4,844.9)	(4,844.9)	(4,844.9)	(4,844.9)	(4,844.9)	(4,844.9)
1156 Receipt Services						
1037 GF/Mental Health						
1041 PFD Earning Reserve Fund	4,844.9	4,844.9	4,844.9	4,844.9	4,844.9	4,844.9
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation establishes a municipal dividend fund from permanent fund dividend earnings that will fund among other things, the payments to municipalities for costs of confinement and care of state prisoners.

Section 1: The Department of Corrections currently contracts with fifteen (15) local community jails for the custody, care, and discipline of prisoners awaiting arraignment and commitment to a state correctional facility. They may also house inmates serving short sentences of 30 days or less.

(Continued on Page 2)

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 Approved by: Margaret M. Pugh, Commissioner
 Agency: Department of Corrections

Phone 465-3315
 Date/Time 3/25/02 3:34 PM
 Date 3/25/02

FISCAL NOTE

**STATE OF ALASKA
2002 LEGISLATIVE SESSION**

BILL NO. CSHB 20(FIN) - FN#3

ANALYSIS CONTINUATION

The fifteen (15) local Community Jail contracts are as follows:

<u>Contractor</u>	<u># Beds</u>	<u>Capacity</u>	<u>Days Held</u>	<u>CONTRACTS</u>
Misc.Program Expenses				\$ 3,500.47
Bristol Bay Borough	4	1,460	15	\$103,376.56
Cordova	6	2,190	7	\$109,964.83
Craig	7	2,555	15	\$186,098.11
Dillingham	8	2,920	20	\$350,083.53
Haines	6	2,190	14	\$ 92,324.47
Homer	7	2,555	10	\$338,962.99
Kodiak	16	5,840	10	\$493,072.93
Kotzebue	14	5,110	30	\$580,963.90
North Slope Borough	9	3,285	30	\$830,229.41
Petersburg	12	4,380	15	\$164,638.11
Seward	14	5,110	30	\$366,012.70
Sitka	15	5,475	10	\$341,572.89
Unalaska	10	3,650	30	\$391,966.53
Valdez	13	4,745	10	\$260,883.07
Wrangell	<u>12</u>	<u>4,380</u>	30	<u>\$231,249.50</u>
Total	153	55,845		\$4,844,900.00

The FY03 Operating Request for the local Community Jails included a incremental request for \$400.0 GF to restore a 1.5% legislative cut (\$73.8) placed on the component in FY02 and to help stabilize the infrastructure costs of each of the local jails (\$326.2). Since the local Community Jails were transferred to the DOC on July 1, 1995, only \$200.0 has been added to the component, or a 4.2% increase which was added in FY02. The Anchorage Consumer Price Index for this same period was 14.2% or 10% more than the increase that was provided in FY02. Incremental program funds are crucial for local jail sites to meet existing infrastructure costs necessary to continue regional jail support capability for the State.

Additionally, on-going prison/jail expansion plans include Kotzebue, Kodiak, Dillingham, and the North Slope Borough Regional Jails. Upon completion of these local jail expansions efforts, the state will require an additional \$3,300.0 of operating funds to cover the increased contract costs of housing more state prisoners.