

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 65
 (S) Publish Date: 3/17/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Corrections
 Title Correctional Facility Expansion BRU Administration & Operations
 Component _____
 Sponsor Senator Green
 Requester _____ Component No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	200.8	207.3	1,838.8	10,653.9	18,159.2	18,202.2
Travel	7.0	8.0	151.3	232.3	313.4	313.4
Contractual	5.0	5.0	685.2	1,738.2	2,791.2	2,791.2
Supplies	6.0	7.0	778.4	2,335.5	3,892.6	3,892.6
Equipment	7.0	0.0	9.0	9.0	9.0	9.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	80.0	199.0	793.9	793.9
Miscellaneous	0.0	0.0	3,172.0	5,002.9	15,273.9	15,273.9
TOTAL OPERATING	225.8	227.3	6,714.7	20,170.8	41,233.2	41,276.2

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	225.8	227.3	6,714.7	20,170.8	41,233.2	41,276.2
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type--Do not abbreviate)	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	225.8	227.3	6,714.7	20,170.8	41,233.2	41,276.2

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time	3	3	29	46	317	314
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill authorizes the Department of Corrections to enter into twenty-five year lease agreements with the Fairbanks North Star Borough, Matanuska-Susitna Borough, Bethel and Anchorage for up to a total of 1,600 beds at state correctional facilities and a new state correctional facility.

Assume that the local government agencies will fund the costs of the new or expanded correctional facilities construction through local/AIDEA bond sales backed by the state leases. Costs of construction for Fairbanks, Anchorage and Mat-Su facilities not to exceed \$135,000 per bed, and cost of annual lease payments not to exceed \$14,600 per bed. For the Bethel facility, costs of construction not to exceed \$155,000 per bed, and cost of annual lease payments not to exceed \$16,700. (continued on page 2 of 2).

Prepared by: Jerry D. Burnett, Director Phone 465-3339
 Division: Administrative Services Date/Time 2/19/03 1:33 PM
 Approved by: Portia C.K. Parker, Assistant Commissioner Date 2/19/2003
 Agency: Department of Corrections

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ANALYSIS CONTINUATION

DOC will require three project management positions during the planning and construction phase.

Annual Lease Costs, by Facility (shown in miscellaneous line):

Fairbanks Correctional Center: 80 new beds = \$1,168,000

Matanuska-Susitna Borough: 1,200 new beds = \$12,101,900

Yukon-Kuskokwim Correction Center: 120 beds = \$2,004,000

Anchorage Jail: no lease payment (if appropriated, federal funds used for construction)

Additionally, security and life/safety staff and institutional staffing necessary to support the 1,600 new prisoner beds in Alaska is based on about 5 prisoners per 1 staff. Thus, 314 new staff will be needed to support these additional prisoner beds statewide.

The \$41,276,200 annual costs of incarceration and lease payments can be offset by moving any remaining prisoners housed at the out of state contract facility (Florence Correctional Center) back to Alaska and housing them in the new beds created by this bill. Assuming that in FY08, 1,000 prisoners, at \$70.00 per day x 365 days = \$25,550,000 of savings that can be applied to the cost of new beds.

The bill provides for federal receipt authority for up to \$30,000,000. The authorization to expand the Anchorage Jail facility by 200 beds may only occur if federal funds are received and the Alaska State Legislature appropriates the funds.

End.