

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SB 99
 (S) Publish Date: 3/17/03

Revision Date/Time (Note if correction): 3/10/03 7:30 am Dept. Affected: Department of Corrections
 Title: Correctional Facilities BRU: Administration & Operations
 Component: _____
 Sponsor: Senator Bunde
 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	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	27,896.8	55,793.6	55,793.6
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	27,896.8	55,793.6	55,793.6

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	0.0	0.0	0.0	27,896.8	55,793.6	55,793.6
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	0.0	0.0	0.0	27,896.8	55,793.6	55,793.6

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	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

The fiscal note was prepared based on the specific language of Senate Bill 99 and the Agreement to Provide Correctional Facility Planning, Promotion, Design, Construction and Operation between Cornell Corrections of Alaska, Inc and the City of Whittier dated February 19, 2002.

See attached:

Prepared by: Jerry D. Burnett, Director
 Division: Administrative Services
 Approved by: Portia C.K. Parker, Deputy Commissioner
 Agency: Department of Corrections

Phone: 465-3339
 Date/Time: 3/10/03 11:51 AM
 Date: 3/10/2003

STATE OF ALASKA
2003 LEGISLATIVE SESSION

BILL NO. SB 99

ANALYSIS CONTINUATION

SB99 specifically reads, on page 1, lines 11-13, and page 2, line 1:
 "The legislature expects the Department of Corrections to contract with the city of Whittier for privately operated correctional facility space and services similar to those currently acquired for medium-custody and close-custody Alaska prisoners in a privately operated prison outside the state.

Similar contracts for privately operated correctional facility space for medium-custody and close-custody Alaska prisoners (CCA contract in Arizona) with the DOC exclude:

- Major medical (hospitalization, surgery, medical specialists, etc...) Note: major medical specifically is excluded in the agreement between Cornell and the City of Whittier.
- Officer/guard security during transport to medical facilities and security while at medical facilities

- Prescription medications/pharmaceuticals
- Transportation of prisoners
- Other services - the DOC and the state of Alaska still are constitutionally, legally and financially responsible for providing these other services.

Some of the "other services" that also are excluded from the Arizona contract, and thus excluded from the per diem rate in SB99 are (if it is to be considered a similar contract):

- Inmate Classification and Furlough
- Probation officers and probation/parole oversight (there is a special probation officer unit (the Arizona Unit) assigned to the current out of state contract)
- Probation officer travel and per diem
- Parole Board travel and per diem
- Inmate grievance response and oversight
- Contract and procurement oversight - every contract the state enters into requires oversight by government officials, as well contract negotiation services. The state must assure that the contractor provides the services, that all state statutes, regulations and mandates are met, and that the people of the state receive the services that they pay for. Oversight is required since the offenders are committed to the custody of the state.
- The costs associated with the inmate tracking computer system (a new Alaska facility must be equipped with the Offender Tracking Information System (OTIS)).

Note: there are some services that cannot be contracted for without statutory changes. One of those services is inmate transportation (inmate transportation is explicitly excluded from the per diem rate in SB99).

The fiscal note assumes that the costs of these other services are not included in the \$94 per diem rate.

For the purposes of this fiscal note, the following services are assumed to be included in the \$94 rate.

- Inmate incarceration services including, security, record keeping, etc.
- Food Service
- Health Care services at the correctional institution, including on-site infirmary and nursing care, mental health, routine dental, on-site pharmacy service. Per the agreement between Cornell and the City of Whittier, "Major medical care will be provided by the State of Alaska outside of the Facility."
- Inmate programs including culturally relevant services to Alaska Natives.
- Inmate work program.
- Religious services including the employment of a chaplain.
- Staff training
- Development of an emergency response plan.
- Facility maintenance