

DEPARTMENT OF CORRECTIONS
FY2014 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT
February 19, 2013

SUBCOMMITTEE MEMBERS:

Rep. Bryce Edgmon, Chair	Rep. Hawker	Rep. Herron
Rep. Isaacson	Rep. Kawasaki	Rep. Kerttula
Rep. Lynn		

RECOMMENDATIONS:

The House Finance Budget Subcommittee for the Department of Corrections submits a recommended operating budget for FY2014 to the House Finance Committee as follows:

Unrestricted General Funds (UGF)	\$ 296,823.9
Designated General Funds (DGF)	16,037.7
Other Funds	14,580.6
Federal Funds	5,318.4
TOTAL	\$ 332,760.6

BUDGET ACTION:

The House Finance Budget Subcommittee for the Department of Corrections held five meetings with the Department and analyzed all of the Governor's budget transactions. The following are budget action highlights:

- The Subcommittee recommends a decrease of \$2.0 million in UGF, an increase of \$2.0 million in Federal Receipts, and the same number of full-time positions as the Governor's Amended FY2014 request.
- The Subcommittee recommends an increase from the FY2014 Adjusted Base of \$13,275.6 UGF and a decrease of \$5,517.4 DGF for a total General Fund change of \$7,758.2. The change from Adjusted Base in Other Funds is \$67.2 and the change in Federal Funds is \$2,065.4. The total change from the Adjusted Base is \$9,890.8 and there is no change in positions.

Accepted:

1. Population Management - Regional Community Jails – Personal Services Increases, \$2,000.0 UGF

This funding is spread out to 15 communities for short-term confinement of persons detained under state law. This is the second phase of additional funding to communities based on allowable activities and costs associated with operating the community jails.

2. Population Management - Community Residential Centers – Bed Rate Increases, \$843.0 UGF

This funding pays for increased contracts with the six facilities used by the Department around the state. It covers annual Consumer Price Index (CPI) rate increases built into the contracts for regular beds and estimated increases for per-diem beds.

3. Inmate Health Care – Physical Health Care - Fund Switch, (\$5,517.4 DGF) \$5,517.4 UGF

The Department of Revenue has calculated the amount of PFD Criminal Funds available for appropriation to be \$11.2 million, which is \$5.5 million less than in FY13. The subcommittee recommends making up that difference with UGF.

Modified:

1. Population Management – Anchorage Corrections Complex – Fund Switch, (\$2,000.0 UGF) \$2,000.0 Federal Receipts

The department has over collected federal receipts for the last several years. The subcommittee recommends replacing \$2.0 million of UGF with \$2.0 million in Federal Receipts, and adding language to assure funding if those receipts are less than anticipated.

AMENDMENT ACTION:

The House Finance Budget Subcommittee for the Department of Corrections also analyzed the Governor's budget amendment submitted on February 12, 2013, and took the following action:

Accepted:

Population Management – various components, \$5,605.6 UGF, \$65.4 Federal Receipts

This covers contract increases for the Alaska Correctional Officers Association for COLA, health insurance, and geographic differential.

ITEMS OF INTEREST:

The subcommittee has adopted the Governor's FY14 Amended budget with the exception of the fund source change in Population Management – Anchorage Correctional Complex.

The subcommittee recommends inserting the following language in the budget to cover those expenses if federal receipts are less than anticipated:

“An amount equal to federal receipts appropriated to the Anchorage Correctional Complex in Section 1 of this Act, less the amount of federal receipts received by the Department of Corrections for housing federal prisoners during the fiscal year ending June 30, 2014, is appropriated from the general fund to the Anchorage Correctional Complex for the purpose of paying costs of inmate incarceration during the fiscal year ending June 30, 2014.”

The subcommittee would also like to see the Department continue exploring ways to contain Inmate Health Care costs and to maximize use of their Offender Habilitation programs in a manner that continues to reduce the rate of recidivism.

The subcommittee also recommends intent language addressing the need for upgrades to the water system at YKCC (found in the attached wordage report).

ATTACHED REPORTS

The House Finance Budget Subcommittee for the Department of Corrections adopts the attached reports:

Subcommittee generated reports

Budget Action Worksheet

Legislative Finance Division Reports- House Structure

1. Agency Totals – FY2014 Operating Budget
2. Appropriation/Allocation Summary (All Funds)
3. Appropriation/Allocation Summary (GF)
4. Transaction Comparison between ADJ Base and H Subcomm
5. Transaction Comparison between Gov Amd and H Subcomm
6. Wordage Report – FY2014 Operating Budget



**Representative Bryce Edgmon, Chair
House Finance Budget Subcommittee for the Department of Corrections
February 19, 2013**