

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number **HB 1042**

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron Saxman

3. Committee Passed both houses

4. Title Construction and management of state correctional facilities

5. Summary/Purpose:

The proposed legislation would require that, before any new prison financing, site selection, acquisition, construction or maintenance, leasing, management, or operation were commenced, the Department of Corrections must prepare a written analysis demonstrating a benefit to the department. The analysis must include an analysis of the costs and benefits of using the Corrections Private Management Act or the Public-Private Education Facilities and Infrastructure Act.

6. Fiscal Impact: Final. See Item 8.

7. Budget amendment necessary: No.

8. Fiscal implications:

Although the language of the proposed bill is not entirely clear, the intent of the bill seems to be to require that, before any new prison is constructed or operated, consideration be given to undertaking that endeavor through a contract with a private prison management company or through the process established by the Public-Private Education Facilities and Infrastructure Act (PPEIA), and that there be a written analysis of the results of that consideration. To a large extent, such analyses are already conducted under existing procedures. For a proposal under the Correctional Private Management Act, a cost-benefit analysis is prepared. For proposals received under the PPEIA, the Department of Corrections (DOC) provides written recommendations to the Secretary of Public Safety and to the Governor at various stages of the process before any final agreement is reached.

9. Specific agency or political subdivisions affected: Department of Corrections

10. Technical amendment necessary: None.

11. Other comments: None.

Date: 04/01/04 / rwh

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cc: Secretary of Public Safety

Secretary of Finance