

Department of Planning and Budget 2023 Fiscal Impact Statement

1. Bill Number: SB1274 E

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Boysko

3. Committee: Rehabilitation and Social Services

4. Title: Electronic communication systems within state correctional facilities; free telephone calls.

5. Summary: This bill requires the Department of Corrections (DOC) to provide telephone systems within correctional facilities free of charge to any person, whether such person is initiating or receiving the telephone call. The bill requires a minimum ratio of one telephone for every 10 inmates within each housing unit at each correctional facility and establishes that the maximum number of telephone numbers permitted on an approved call list must be no fewer than 20. The bill prohibits DOC from receiving any commission from such telephone systems.

The bill also requires that electronic communication services, including electronic visitation systems or electronic messaging systems, Voice-over-Internet Protocol technology and web-based communication systems, must be provided free of charge to the person initiating or receiving the service. The bill prohibits any state correctional facility that utilizes such systems from excluding any inmate from using the systems and from receiving any commission for installation or operation of the system.

The engrossed bill removes the requirements associated with the number of telephone numbers allowed on an approved call list and with the minimum ratio of one telephone per every 10 inmates in each housing unit at each correctional facility.

6. Budget Amendment Necessary: Yes. Item 404

7. Fiscal Impact Estimates: Preliminary. See Item 8 below.

8. Fiscal Implications: This bill would impact several communications systems used by inmates including telephone services, electronic (video) visitation, and messaging services. The bill requires DOC to provide these services at no cost.

Inmate Telephone Services

According to DOC, under the current contract for inmate telephone services, the vendor provides all telephone and network equipment and manages all inmate telephone services

including administrative equipment and supplies. The vendor collects fees for telephone calls directly from inmates through deductions from inmate accounts and from individuals calling into facilities through internet and telephone transactions. DOC reports that under the current contract for telephone services, calls are charged at \$0.0409 per minute; this rate has remained constant since 2015. In FY 2022, the total amount collected by the vendor for telephone services was \$10.9 million. DOC does not receive any revenue or commissions related to inmate telephone service. Under the current contract, DOC is responsible for paying \$250,000 per quarter to cover software licensing for the telephone system. DOC's budget includes \$1.0 million from the general fund each year for this expenditure.

Inmate Messaging Services

Secure messaging services for inmates are provided through a vendor contract. Initiators of the message pay the vendor directly and are charged between \$0.25 to \$0.39 depending on the size and number of attachments included in a message. The vendor collected \$2.8 million in FY 2022 from inmates and individuals to support the inmate messaging service. DOC receives a commission from the vendor, which is used to support post-secondary education programs for inmates. DOC reports that commissions received in FY 2022 totaled \$125,395.

Video Visitation

Video visitation service is provided through a partnership with the non-profit organization Assisting Families of Inmates (AFOI). AFOI contracts with a service provider to provide the video visitation service, which is available to inmates housed in all DOC facilities. Video visitation fees are paid by the person calling the inmate. As of August 1, 2022, video call rates were reduced from \$.40 to \$.20 per minute. The fees collected go directly to the cost of operating the service. AFOI collected \$1.7 million in usage charges during FY 2022 (at the old fee rate of \$.40) from inmate family members. DOC does not receive any revenue or commissions related to the video visitation service. DOC's budget includes \$250,000 from the general fund each year to expand and subsidize video visitation in state correctional facilities. In addition, DOC received one-time funding of \$3.0 million from the American Rescue Plan Act (ARPA) to purchase new video visitation equipment, to help address the increased volume of usage experienced as a result of the COVID-19 pandemic.

DOC reports that the agency has an active Request for Proposal (RFP) process to establish a new contract to provide telephone, secure messaging, streaming music, and games using an independent WiFi network. Therefore, costs associated with future services are not known at this time.

Based on the costs for the current communication system in FY 2022, DOC estimates that the cost of providing the services is approximately \$15.4 million annually assuming existing inmate usage levels. If usage levels increase, it is reasonable to expect that the total cost to provide the services would also increase; however, the fiscal impact of any anticipated increased usage and new contract pricing cannot be determined at this time. Further, DOC has not evaluated how much additional capacity the current communications infrastructure can support. Additional funding may be needed if the current capacity is insufficient to meet demand for services.

DOC has not fully evaluated the impact the provisions of this bill may have on the safety and security of the facilities but believes that providing communication services for free would require additional Institutional Investigator positions to monitor the higher volume of telephone usage and secure messaging communications and additional Correctional Officers to escort inmates to the video visitation stations and to monitor the visits. DOC estimates the annual general fund cost for each Institutional Investigator at \$93,827 (including salary and fringe benefits) and the annual general fund cost for each Correctional Officer at \$74,892 (including salary and fringe benefits). The total number of additional staff required cannot be determined without further review. However, the cost of adding one additional Correctional Officer and one additional Institutional Investigator at each DOC facility would cost approximately \$6.6 million dollars general fund annually.

9. Specific Agency or Political Subdivisions Affected: Department of Corrections

10. Technical Amendment Necessary: No

11. Other Comments: None