

## Department of Planning and Budget 2024 Session Fiscal Impact Statement

**1. Bill Number:** HB801

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

**2. Patron:** Rasoul

**3. Committee:** Courts of Justice

**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 except for temporary, appealable disciplinary purposes in direct response to misuse of the system by an inmate. The bill also prohibits DOC from receiving any commission for installation or operation of the system. However, the bill allows DOC to temporarily limit the use of the system during periods of heightened security or emergencies.

The bill has a delayed effective date of July 1, 2026.

**6. Budget Amendment Necessary:** No

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

**8. Fiscal Implications:** This bill requires DOC to provide inmate telephone services, electronic (video) visitation, and messaging services to DOC inmates at no cost. Because the bill would not become effective until July 1, 2026 (FY 2027), this bill has no immediate fiscal impact. However, DOC provided the information below to help assess the future impact of the bill.

### **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 2023, the total amount collected by the vendor for telephone services was \$10.1 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 \$3.2 million in FY 2023 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 2023 totaled \$103,433.

### **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, with video call rates of \$0.20 per minute. The fees collected go directly to the cost of operating the service. AFOI collected \$1.1 million in usage charges during FY 2023. DOC does not receive any revenue or commissions related to 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, which will help address the increased volume of usage experienced because of the COVID-19 pandemic.

DOC estimates the costs associated with providing these communication services at no charge total approximately \$14.4 million annually, which would have to be replaced by a corresponding general fund appropriation. This estimate assumes that usage levels do not change; however, DOC anticipates that providing these services to inmates at no cost may dramatically increase the demand for the services. DOC has not evaluated how much additional capacity the current communications infrastructures can support. Additional funding may be needed if the current capacity is insufficient to meet demand for services.

DOC 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 Wi-Fi network. Therefore, cost associated with future inmate telephone and messaging communications are not known at this time. The RFP is in the negotiation stage of the procurement process with a projected completion date of June 1, 2024.

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 \$93,700 (including salary and fringe benefits) and the annual general fund cost for each Correctional Officer at \$76,086 (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 \$7.1 million dollars from the general fund annually.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None