

public ownership of the prospective facility or facilities and one to address the issues of private ownership. The assessment would need to be done by December 31, 2002 for presentation to the Governor, the Secretary of Corrections, the President pro tempore of the Senate, the Speaker of the House of Representatives. A report shall be presented to an appropriate legislative interim committee at their November 2002 meeting.

Any unexpended balances of the appropriation remaining at the end of FY 2003 will revert to the general fund. The effective date of the provision of the act is July 1, 2001.

Significant Issues

According to CD, this bill seems to provide the flexibility for the department to carefully analyze its long-term needs, consider its overall bed plan/capacity, philosophies, and factor in cost containment considerations. This is the type of strategic correctional planning that was recommended by the Independent Board of Inquiry (IBI) Report. Considering the fact that CD and its private correctional partners have almost used all new bed capacity, it is essentially needed for future capacity decisions.

The result of the studies could permit CD to actively engage with the Legislature in developing comprehensive, thoughtful recommendations for future facilities in terms of the design, financing, ownership and operation in light of legislative aspirations, the department's particular expertise, as well as the observations and recommendations tendered by the IBI and Corrections Oversight Committee. This could in turn assure the building of humane, safe and economical corrections complexes.

PERFORMANCE IMPLICATIONS

CD reports there would be minimal performance impact upon the department. However, in the long term, the bill could indirectly result in a significant improvement in the department's prison programs.

FISCAL IMPLICATIONS

The appropriation of \$80.0 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2003 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

CD reports there will be an increase in the administrative burden on several department employees who would be responsible for coordinating with the contractor and providing information for the study.

TECHNICAL ISSUES

The AG reports Section 1 (c) omits a third option: public ownership with private operation.

LAT/njw:ar