

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: April 14, 1998 Revised: _____

Subject: Sales of Good and Services Clearing Trust Fund

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Martin</u>	<u>Smith</u>	<u>WM</u>	<u>Favorable</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

The bill creates the Privately Operated Institutions Inmate Welfare Trust Fund within the Department of Corrections to be used to benefit inmates in private correctional facilities under contract with the Correctional Privatization Commission pursuant to chapter 944, F.S., or the department pursuant to chapter 944, F.S. It provides for receipts to be deposited into the fund and expenditures made from the fund pursuant to s. 942.215, F.S.

This bill affects section 945.215 of the Florida Statutes.

II. Present Situation:

Chapter 945.215, F.S. provides for an Inmate Welfare Trust Fund and specifies that net proceeds from inmate-related revenues such as telephone commissions and profit from canteen and vending machines are to be deposited into the trust fund. The chapter also provides that the trust fund be used for a variety of education, training, faith-based and other programs that benefit inmates. Although the trust fund is referenced in statute, the trust fund has not been recreated by the Legislature since passage of the 1992 constitutional amendment that limited trust funds to a four-year life span. The trust fund, therefore, arguably does not exist. In addition, it is not clear whether these provisions apply to privately operated institutions under contract with the Correctional Privatization Commission or those under contract with the department. Currently, vendors under contract with the commission maintain inmate welfare proceeds in private accounts.

Recently, the Correctional Privatization Commission promulgated a rule that would allow for the use of inmate welfare proceeds if approved by the Commission. Questions have been raised regarding the commission's statutory authority to approve such expenditures and whether the

responsibility to direct the expenditure of these funds more appropriately resides with the Legislature. The rule has not taken effect pending review by the Joint Administrative Procedures Committee.

Many of the education and training programs authorized under the existing Inmate Welfare Trust Fund provisions are currently provided in privately operated facilities pursuant to statutory and contract provisions.

III. Effect of Proposed Changes:

The bill creates the Privately Operated Institutions Inmate Welfare Trust Fund within the Department of Corrections. The bill provides that the receipts into the fund and expenditures from the fund shall be as provided in s. 942.215, F.S. The bill provides that any balance in the fund at the end of a fiscal year shall remain in the fund and that the bill shall be terminated pursuant to Article III of the State Constitution unless terminated sooner. The bill provides that the trust fund shall be reviewed prior to its scheduled termination as provided in ch. 215. F.S.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill will result in deposit of inmate welfare proceeds from the privately operated prisons into the Privately Operated Institutions Inmate Welfare Trust Fund. These funds will be available for appropriation by the Legislature. A comprehensive accounting of revenues generated to date has not been supplied by the Correctional Privatization Commission.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.