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A bill to be entitled An act relating to the privatization of correctional facilities; creating s. 944.7115, F.S.; requiring that the Department of Management Services, working with the Department of Corrections, privatize the management and operation of certain correctional facilities and assigned correctional units; requiring that the Department of Management Services issue two or more requests for proposals; providing a timeframe for proposals submitted in response to a request for proposals; requiring the department to prepare a business case for the privatization before issuing the requests for proposals; providing certain cost-saving requirements; requiring that the Department of Corrections determine the costs incurred for the 2010-2011 fiscal year for each correctional facility and assigned correctional unit according to a specified formula; limiting the costs to be incurred by the state in the second or subsequent contract years; providing that the provisions in a request for proposals which relate to cost savings are not subject to challenge in any protest of the specifications of a request for proposals; requiring that each contractor selected as a result of a request for proposals manage and operate the correctional facilities and all assigned correctional units at certain capacities; requiring that the Department of Corrections classify all inmates without regard for and without

consideration of whether the inmates will be assigned

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to facilities operated by the Department of Corrections or by a contractor; requiring that each facility's medical and psychological grade population percentages remain substantially unchanged from the average daily population calculated for the 2010-2011 fiscal year; requiring that the Office of Program Policy Analysis and Government Accountability conduct a review of the assignments of inmates by the Department of Corrections; requiring that the office submit a report of its findings to the Governor and Legislature by a specified date each year; requiring that certain accounts associated with the correctional facilities and assigned correctional units continue to be remitted to the General Revenue Fund; providing that certain statutory provisions regarding contractual arrangements with private entities for the operation and maintenance of correctional facilities and the certification of private correctional officers do not apply to a request for proposals or a contract authorized by the act; providing that s. 216.023, F.S., regarding legislative budget requests furnished to the Legislature, does not initially apply to the Department of Corrections or the Department of Management Services with respect to the services required to be privatized under the act; providing for a performance audit by the Office of Program Policy and Government Analysis of any contract awarded pursuant to the act; specifying the requirements for any contract resulting from a request for proposals;

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limiting the term of the contract and providing for renewal; requiring the appointment of a contract monitor; providing requirements for the certification of private correctional officers at the contractor's expense; providing required performance measures for a contract that results from a request for proposals; requiring the contract to specify that employees of the contractor do not have the right to strike; requiring that the contractor purchase services and supplies for the operation and maintenance of the correctional facilities or assigned correctional units from a subcontractor or supplier that is located in this state or that employs residents of this state under certain circumstances; providing an exception; requiring that the contractor reimburse the state for the total cost of unused, accumulated leave actually paid by the state to former employees of the Department of Corrections who were employed at the correctional facilities and assigned correctional units and who leave employment with the Department of Corrections; requiring that the Department of Management Services certify to the contractor the amount that must be reimbursed; requiring that the contractor pay the reimbursement to the state within a specified period after receiving the department's certification; prohibiting the cost of such unused, accumulated leave from being included in the costs incurred by the state for the 2010-2011 fiscal year and in the 7 percent cost savings; requiring that the

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contractor pay to the Department of Management Services the reasonable and direct costs associated with the pursuit or apprehension of an escapee from a correctional facility and incurred by any state or local law enforcement agency while involved in the pursuit or apprehension of an escapee; requiring that a specified percentage of the cost savings from the privatization required under the act be directed to the Department of Juvenile Justice for the purpose of funding the CINS/FINS program; requiring that the Department of Management Services provide reports to the legislative appropriations committees regarding the performance of each contractor; requiring that the Department of Corrections prepare and submit to the Legislative Budget Commission proposed revisions to its operating budget; requiring that the Department of Management Services enter into a contract with one or more winning bidders after approval by the Legislative Budget Commission; requiring that current employees at each designated correctional facility and assigned correctional unit be given first preference for continued employment; requiring that the Department of Corrections make reasonable efforts for finding job placements for employees who wish to continue to be employed by the state; requiring that the Department of Economic Opportunity expeditiously provide assistance and services to employees of the Department of Corrections who are not employed by the contractor or who do not continue employment with the Department

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of Corrections; providing requirements for the request for appropriation of funds; limiting the authority of the Department of Corrections with respect to such appropriation; requiring that the Department of Corrections be solely responsible for the operation and maintenance of any correctional facility at which the death penalty is administered; authorizing the Department of Management Services and the Department of Corrections to adopt rules; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 944.7115, Florida Statutes, is created to read:

944.7115 Department of Corrections; Southern Florida Region; privatization of correctional facilities.—

(1) Notwithstanding s. 287.057(1)(b)1., the Department of
Management Services, working with the Department of Corrections,
shall, through the issuance of two or more requests for
proposals, privatize the management and operation of all
correctional facilities and assigned correctional units,
including prisons, annexes, work camps, road prisons, and work
release centers, which are operated by the Department of
Corrections in the Southern Florida Region and located in
Manatee, Hardee, Indian River, Okeechobee, Highlands, St. Lucie,
DeSoto, Sarasota, Charlotte, Glades, Martin, Palm Beach, Hendry,
Lee, Collier, Broward, Miami-Dade, and Monroe Counties,
excluding the South Florida Reception Center and any

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correctional facility or assigned correctional unit that has been closed or scheduled for closure before June 30, 2012. This subsection does not apply to nurses working for the department in Region IV.

- (2) The Department of Management Services shall issue its requests for proposals no later than 60 days after the effective date of this act. The Department of Management Services shall require that any proposal submitted in response to a request for proposals be submitted no later than 60 days after the issuance of the request for proposals. The Department of Management Services shall prepare the business case for the privatization required under this section, in accordance with s. 287.0571, prior to the issuance of the requests for proposals.
- (3) Each request for proposals which is issued by the Department of Management Services must provide that the total cost of a responsive proposal to the state during the first year of the contract must result in actual cost savings to the state of at least 7 percent of the costs incurred by the state for the 2010-2011 fiscal year for the provision of the services at the correctional facilities and assigned correctional units included in the request for proposals. For each correctional facility and assigned correctional unit included in a request for proposals, the Department of Corrections shall determine and provide to the Department of Management Services the costs incurred by the state for the 2010-2011 fiscal year using the average daily population of each correctional facility and assigned correctional unit during the 2010-2011 fiscal year and the direct and distributed inmate per diem cost for each correctional facility and assigned correctional unit during the

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2010-2011 fiscal year, reduced for the 3 percent retirement contribution now required by state employees under chapter 121, by inmate medical costs, and by the department's direct and personnel costs associated with inmate classification. The Auditor General shall review and certify all such costs. The total costs to be incurred by the state in the second or subsequent years of the contract resulting from a request for proposals may increase annually by not more than the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items not seasonally adjusted or successor reports, for the preceding December as initially reported by the United States Department of Labor, Bureau of Labor Statistics; however, any such increase is contingent upon appropriation by the Legislature. Notwithstanding s. 120.57(3), the provisions in a request for proposals which relate to the cost savings required under this subsection are not subject to challenge in any protest of the specifications of the request for proposals.

- (4) Each contractor selected as a result of a request for proposals must manage and operate each correctional facility and the assigned correctional unit at capacities set forth in s. 944.023.
- (5) (a) The Department of Corrections shall classify an inmate without regard for and without consideration of whether the correctional facility or assigned correctional facility to which the inmate will be assigned as a result of the classification is operated by the Department of Corrections or by a contractor. Each facility's medical and psychological grade population percentages shall remain substantially unchanged from the average daily population calculated for the 2010-2011 fiscal

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year. Each facility's average daily population shall be substantially the same or greater than the average daily population calculated for the 2010-2011 fiscal year.

- (b) By October 1 of each year during the term of the contracts authorized under this section, the Office of Program Policy Analysis and Government Accountability shall conduct a review of the assignment of inmates by the Department of Corrections during the most recently ended fiscal year, determine the factors and considerations used by the Department of Corrections in the classification of inmates, and determine if the Department of Corrections has considered in the classification of inmates whether the correctional facility or assigned correctional unit to which inmates are assigned is operated by the Department of Corrections or by a contractor. By November 15 of each year, the Office of Program Policy Analysis and Government Accountability shall submit a report of its findings to the Governor, the President of the Senate, and the Speaker of the House of Representatives.
- (6) Notwithstanding ss. 944.72 and 945.215, funds from canteens, subsistence payments, and any other participating accounts associated with or located at the correctional facilities and all assigned correctional units shall continue to be remitted to the General Revenue Fund.
- (7) The provisions of ss. 944.105(1) and (7) and 944.719(2)
 do not apply to any request for proposals or contract authorized
 by this section. Section 216.023 does not apply to the

 Department of Corrections or the Department of Management
 Services with respect to the services required to be privatized
 under this section until the Department of Corrections is

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required to submit its legislative budget request for the first fiscal year that begins after the privatization required under this section has been implemented. Section 944.719(5) applies to any contract awarded by the Department of Management Services under this section.

- (8) Any contract entered into by the Department of
 Management Services resulting from a request for proposals must:
- (a) Require compliance with all applicable federal, state, and local laws and all rules adopted by the Department of Management Services and the Department of Corrections.
- (b) Require actual cost savings to the state of at least 7 percent of the costs incurred by the state for the 2010-2011 fiscal year for the provision of the required services at the correctional facilities and assigned correctional units included in the request for proposals.
- (c) Be for a term not to exceed 5 years, which may be renewed as provided in s. 287.057.
- (d) Require the selection and appointment of a full-time contract monitor. The contract monitor shall be appointed and supervised by the Department of Management Services. The contractor shall reimburse the Department of Management Services for the salary and expenses of the contract monitor. It is the obligation of the contractor to provide suitable office space for the contract monitor at the correctional facility. The contract monitor shall have unlimited access to the correctional facilities and assigned correctional units.
- (e) Require the certification of private correctional officers pursuant to s. 943.1395 at the contractor's expense, and all such officers must meet the minimum qualifications

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who perform their duties at the private correctional facility shall, at a minimum, receive the same quality and quantity of training required by the state for employees of state-operated correctional facilities. All training expenses are the responsibility of the contractor. The Department of Corrections shall be the contributor and recipient of all criminal background information necessary for certification by the Criminal Justice Standards and Training Commission.

- (f) Include specific performance measures and levels of expected performance for the contractor in order to ensure contractor performance and accountability, and require the contractor to provide the Department of Management Services with information concerning each performance measure for each separate correctional facility and assigned correctional unit for each month, calendar quarter, and year during the term of the contract, in the format specified by the Department of Management Services.
- 1. The required performance measures must include, but are not limited to:
- <u>a. The number of batteries committed by inmates on one or</u> more persons per 1,000 inmates;
- b. The number of inmates receiving major disciplinary
 reports per 1,000 inmates;
- c. The percentage of random inmate drug tests that are negative;
- <u>d. The percentage of reported criminal incidents</u> investigated by the proper authorities;
 - e. The number of escapes from the secure perimeter of major

319 period; and

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291	institutions;
292	f. The percentage of inmates placed in a facility that
293	provides at least one of the inmate's primary program needs;
294	g. The number of transition plans completed for inmates who
295	are released from prison;
296	h. The number of release plans completed for inmates who
297	are released from prison;
298	i. The percentage of release plans completed for inmates
299	who are released from prison;
300	j. The percentage of inmates who successfully complete drug
301	abuse education or treatment programs;
302	k. The number of inmates who are receiving substance abuse
303	services;
304	1. The percentage of inmates who complete mandatory
305	literacy programs and who score at or above the 6th grade level
306	on Tests of Adult Basic Education;
307	m. The percentage of inmates who successfully complete
308	mandatory literacy programs;
309	n. The percentage of inmates who successfully complete
310	education programs for the General Education Development (GED)
311	test preparation;
312	o. The percentage of inmates needing special education
313	programs who participate in special education programs in
314	accordance with federal law;
315	p. The percentage of inmates who successfully complete
316	vocational education programs;
317	q. The average increase in grade level achieved by inmates
318	participating in education programs every 3-month instructional

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- r. The percentage of inmates who successfully complete transition, rehabilitation, or support programs without subsequent recommitment to community supervision or prison for 24 months after release.
- 2. For work release centers, the required performance measures must also include, but are not limited to:
 - a. The percent of employment of supervised individuals;
 - b. The illegal substance use by supervised individuals;
 - c. The victim restitution paid by supervised individuals;
- d. Compliance by supervised individuals with no-contact orders;
- <u>e. The number of serious incidents occurring at the</u> facility; and
 - f. The number of absconders.
- (g) Require that any contract between the contractor and a union representing employees of the contractor at a correctional facility or assigned correctional unit must provide that the employees of the contractor do not have the right to strike.
- (9) The contractor shall purchase services and supplies required for the operation and maintenance of the correctional facilities or assigned correctional units included in the contract from a subcontractor or supplier that is located in this state or that employs residents of this state if the costs of such services and supplies are equal to the cost of such services and supplies offered by a subcontractor or supplier that is not located in this state or that does not employ residents of this state; however, if the costs, terms, and conditions associated with the purchase of services and supplies are not identical, the contractor may select the subcontractor

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or supplier preferred by the contractor.

- (10) (a) The contractor shall reimburse the state for the total costs of all unused, accumulated leave actually paid by the state, in accordance with law and policies in effect on January 1, 2012, to former employees of the Department of Corrections who were employed at the correctional facilities and assigned correctional units included in the contract during the pay period immediately prior to the date on which the contractor begins performance and who leave employment with the Department of Corrections at any time within 1 year after such date.
- (b) The Department of Management Services shall certify to the contractor the amount that must be reimbursed and the contractor shall pay the reimbursement to the state no later than 180 days after receipt of such certification.
- (c) The cost of such unused, accumulated leave may not be included in the costs incurred by the state for the 2010-2011 fiscal year for the provision of services at the correctional facilities and assigned correctional units included in the requests for proposals and may not be included in the 7 percent cost savings required under subsection (3) which must be attained during the first year of the contract.
- (11) The contractor shall pay to the Department of

 Management Services the reasonable and direct costs, certified

 by the Department of Management Services and included in the

 contract, which are associated with the pursuit or apprehension

 of an escapee from a correctional facility and incurred by any

 state or local law enforcement agency while involved in the

 pursuit or apprehension of an escapee.
 - (12) Twenty percent of the cost savings required under

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subsection (3) shall be directed to the Department of Juvenile Justice for the purpose of funding the CINS/FINS program under chapter 984.

- (13) The Department of Management Services shall provide reports to each chair of the legislative appropriations committees regarding the performance of each contractor which include, but are not limited to, information regarding each required performance measure in each contract resulting from the request for proposals for each contractor and for each correctional facility and assigned correctional unit.
- (14) After the Department of Management Services has issued its notice of intent to award a contract, resolved any bid protests, and concluded negotiation of a contract resulting from the request for proposals, the Department of Corrections must prepare and submit to the Legislative Budget Commission proposed revisions to its operating budget which demonstrate the 7 percent savings required under subsection (3), which must be attained during the first year of the term of the contract. The Auditor General shall review and certify the attainment of the required savings.
- (15) After approval by the Legislative Budget Commission, the Department of Management Services shall enter into a contract with one or more winning bidders.
- (16) Each current Department of Corrections employee at the designated correctional facility and assigned correctional unit who is affected by the privatization must be given first preference for continued employment by the contractor selected as a result of a request for proposals. The Department of Corrections shall make reasonable efforts to find suitable job

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placements for employees who wish to continue to be employed by the state.

- (17) The Department of Economic Opportunity shall expeditiously provide assistance and services to employees of the Department of Corrections who are not employed by the contractor or who do not continue employment with the Department of Corrections.
- (18) The request for appropriation of funds to make payments pursuant to contracts entered into by the Department of Management Services for the operation and maintenance of the correctional facilities and assigned correctional units as authorized by this section shall be made by the Department of Management Services in a request to the Department of Corrections. The Department of Corrections shall include such request in its legislative budget request to the Legislature as a separately identified item and shall forward the request of the Department of Management Services without change. After an appropriation has been made by the Legislature to the Department of Corrections for the correctional facilities and assigned correctional units, the Department of Corrections shall have no authority over such funds other than to pay from such appropriation to the appropriate contractor such amounts as are certified for payment by the Department of Management Services.
- (19) Notwithstanding any other provision of this section, the Department of Corrections shall be solely responsible for the operation and maintenance of any correctional facility at which the death penalty is administered.
- (20) The Department of Management Services and the Department of Corrections may adopt rules as necessary to

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