

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Committee on Criminal Justice

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BILL: SB 930

INTRODUCER: Senator Evers

SUBJECT: Trust Funds/State-Operated Institutions Inmate Welfare Trust Fund/DOC

DATE: January 8, 2016

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Sumner	Cannon	CJ	<b>Favorable</b>
2.			ACJ	
3.			AP	

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**I. Summary:**

SB 930 creates the State-Operated Institutions Inmate Welfare Trust Fund (Trust Fund) within the Department of Corrections (department). The purpose of the new Trust Fund is for the benefit and welfare of inmates incarcerated in state-operated correctional facilities. In accordance with s. 19(f)(2), Art. III of the State Constitution, the Trust Fund will be terminated on July 1, 2020, unless terminated sooner or renewed.

**II. Present Situation:**

**Inmate Welfare Trust Funds for Public Correctional Facilities**

From 1979 until 2003, s. 945.215, F.S., provided for a trust fund that allowed the department to use revenue from the purchase of inmate canteen items and from inmate telephone calls to fund chapels, education, and wellness programs at publically operated correctional facilities. The source of most the revenue was from family and friends of the inmate. Chapter 2003-179, Laws of Florida, eliminated the former trust fund for public correctional facilities and required the revenue from inmate canteens and telephone usage to go directly into the General Revenue Fund.

According to a January 15, 2015, Auditor General audit of the department's canteen operations (which are outsourced to Keefe Commissary Network, LLC), from July 2012 through February 2014 sales in department institution canteens totaled approximately \$133.31 million and catalog sales totaled \$868,474. In addition, the department received MP3 music program commissions from Keefe totaling \$940,412 relating to MP3 music program sales of approximately \$5.99 million. The department's contract with Keefe expired March 31, 2015.

Canteens operate on a cashless system. Inmates use photo identification cards like bank debit cards. Inmates may make purchases on a weekly basis not to exceed \$100.<sup>1</sup> MP3 sales and catalog items do not count toward the purchase limit.

The chart below shows the department’s revenue collections from funding sources for the Inmate Welfare Trust Fund before s. 945.215, F.S., was amended to direct those revenues to the General Revenue Fund:

REVENUE COLLECTION SUMMARY PREVIOUS INMATE WELFARE TRUST FUND SOURCES FY 2010-2011 – FY 2014-2015						
Description	Authorizing Statute	Fiscal Year 2010-2011	Fiscal Year 2011-2012	Fiscal Year 2012-2013	Fiscal Year 2013-2014	Fiscal Year 2014-2015
<b>General Revenue Unallocated (GRU) Collections:</b>						
Subsistence	s. 944.485 FS	6,748,740	7,712,150	8,035,040	8,092,206	5,768,529
Interest Income – ITF	s. 944.516(1)(f) FS	230,677	204,227	204,368	103,669	124,382
ITF Balances < \$1.00	s. 944.516(5) FS	1,194	1,219	1,197	1,211	1,217
Canteen Commissions <sup>2</sup>	s. 945.215(1)(a) FS	31,162,387	30,970,697	30,907,621	31,027,325	34,237,290
Vending Commissions	s. 945.215(1)(e) FS	343,096	357,371	369,591	212,345	475,637
Telephone Commissions	s. 945.215(1)(b) FS	5,205,804	5,156,269	5,334,549	6,142,399	4,975,584
Medical Copay	s. 945.6037 FS	737,410	713,823	661,604	673,325	645,159
<b>Inmate Bank - GR</b>		<b>\$44,429,308</b>	<b>\$45,115,756</b>	<b>\$45,513,970</b>	<b>\$46,252,480</b>	<b>\$46,227,797</b>

**Inmate Welfare Trust Fund for Privately Operated Institutions**

An Inmate Welfare Trust Fund for private correctional facilities created in 1998 continues to operate.<sup>3</sup> This trust fund is for the benefit and welfare of inmates incarcerated in private correctional facilities under contract with the Department of Management Services (DMS). Net proceeds from inmate canteens, vending machines used primarily by inmates, telephone commissions, and other similar sources of proceeds are deposited in the fund. The DMS compiles an annual report documenting the receipts and expenditures at each private facility. For Fiscal Year 2013-2014, the DMS reported total revenues of \$3,252,201.41. The total expenditures for vocational programs, canine detection training programs, and community service programs was \$1,014,038.88.

**III. Effect of Proposed Changes:**

The bill creates the State-Operated Institutions Inmate Welfare Trust Fund within the Department of Corrections. The language of the bill closely mirrors the language that was in s. 945.215, F.S., when the former trust fund was originally created. The purpose of the new Trust Fund is for the benefit and welfare of inmates incarcerated in state-operated correctional facilities. The new Trust Fund will terminate on July 1, 2020, unless terminated sooner.

**IV. Constitutional Issues:**

**A. Municipality/County Mandates Restrictions:**

None.

<sup>1</sup> Rule 33-203.101, F.A.C.

<sup>2</sup> Canteen commissions include MP3 music program sales.

<sup>3</sup> Section 944.72, F.S.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

According to the Florida Department of Corrections, the bill will benefit the welfare of inmates incarcerated in State-Operated Correctional Institutions. The revenues deposited will be taken from operating inmate canteens (vending machines used primarily by inmates and visitors, hobby shops, and other such facilities).

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill creates section 944.73 of the Florida Statutes.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.