

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.)

Prepared By: The Professional Staff of the Committee on Fiscal Policy

BILL: SB 1198

INTRODUCER: Senators Simon and Davis

SUBJECT: Operation New Hope

DATE: April 19, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Erickson</u>	<u>Stokes</u>	<u>CJ</u>	Favorable
2.	<u>Atchley</u>	<u>Harkness</u>	<u>ACJ</u>	Favorable
3.	<u>Erickson</u>	<u>Yeatman</u>	<u>FP</u>	Favorable

I. Summary:

SB 1198 authorizes the Department of Corrections (DOC) to contract with Operation New Hope (ONH), a nonprofit organization exempt from taxation pursuant to s. 501(c)(3) of the Internal Revenue Code, to provide reentry services to inmates both before and after release from incarceration. A contract with ONH must be authorized by and consistent with funding appropriated in the General Appropriations Act.

The bill does not result in a fiscal impact to the DOC. It simply authorizes the DOC to contract with ONH, contingent upon appropriated funding. The DOC currently contracts with ONH and with other organizations to provide pre-release and post-release reintegration services. See Section V. Fiscal Impact Statement.

The bill takes effect July 1, 2023.

II. Present Situation:

Operation New Hope (ONH)

ONH is a nonprofit organization exempt from taxation pursuant to s. 501(c)(3) of the Internal Revenue Code.¹ The organization was founded in 1999 in Jacksonville, Florida.² Since its

¹ Operation New Hope, *Annual Report 2022*, available at <https://operationnewhope.org/wp-content/uploads/2022/07/Annual-Report-2022-updated-7.21.22.pdf> (last visited on March 2023). A nonprofit organization, as defined in 26 U.S.C.

s. 501(c)(3), is an organization that is organized and operated exclusively for religious, charitable, scientific, public safety, literary, or educational purposes, or to foster specified national or international amateur sports competition, or for the prevention of cruelty to children or animals. None of such an organizations earnings may benefit any private shareholder or individual. No substantial part of the organizations activities may be directed towards attempting to influence legislation or any political campaign.

² Operation New Hope, *Our History*, available at <https://operationnewhope.org/our-stories/our-history/> (last visited on March 30, 2023).

founding, ONH has served over 9,000 people impacted by the criminal justice system.³ The following information about the ONH's mission and programs is provided on the ONH's website:

- ONH's mission is to provide "support, life and job skills training for people with a history of involvement with the criminal justice system, and places them in employment that offers a sustainable quality of life."⁴
- ONH offers the Ready4Release program, Ready4Work program, and Ready4Success program.⁵ It also hosts "parenting and family reunification workshops featuring subject matter experts," and delivers "the National Fatherhood Initiatives' InsideOut Dads program within prisons to help incarcerated fathers become better dads." ONH's programs also "support continued growth as moms and dads transition home."⁶
- In implementing the Ready4Release program, the ONH works "in collaboration" with the DOC to deliver "pre-release services to 30 facilities in Florida." The "Ready4Release team targets qualified inmates and presents Ready4Work program details. Experienced Case Managers enroll interested clients and build an individualized release plan to facilitate a smooth transition back into the community." The ONH states that "[b]y meeting with clients monthly during the 90 days prior to their release, we bridge the reentry divide to ensure adequate housing, transportation, and job training."⁷
- The Ready4Work program implements "a comprehensive 4-pronged approach (case management and mental health, supportive services, job training, and job placement assistance). The ONH states that the program "ensures each client succeeds at reconnecting to the workforce, their families, and community."⁸
- The Ready4Success program is ONH's newest program and it delivers "case management, career development, and other crucial program services in a blended service model that is primarily virtual." The ONH states that this program "builds on lessons learned over the many years and most recently during the COVID pandemic, where we learned that we can successfully deliver critical support services to individuals through a predominately virtual platform."⁹

³ Operation New Hope, *Hope Starts Here!*, available at <https://operationnewhope.org/wp-content/uploads/2022/08/Operation-New-Hope-Overview.pdf> (last visited on March 30, 2023).

⁴ Operation New Hope, *Our Mission*, available at <https://operationnewhope.org/find-hope/our-mission/> (last visited on March 30, 2023).

⁵ Operation New Hope, *Our Programs*, available at <https://operationnewhope.org/our-programs/> (last visited on March 30, 2023).

⁶ Operation New Hope, *Hope Starts Here!*, *supra*.

⁷ Operation New Hope, *Ready4Release*, available at <https://operationnewhope.org/our-programs/ready4release/> (last visited on March 30, 2023).

⁸ Operation New Hope, *Ready4Work*, available at <https://operationnewhope.org/our-programs/ready4work/> (last visited on March 30, 2023). "Participants are required to remain drug-free and attend a comprehensive job training program featuring personal and professional development. Clients are paired with a Licensed Mental Health Counselor, Case Manager, and Job Coach to provide guidance and support, leading to job placement with targeted employment partners." ONH also offers career and technical training courses. Operation New Hope, *Hope Starts Here!*, *supra*.

⁹ Operation New Hope, *Ready4Success*, available at <https://operationnewhope.org/our-programs/ready4success/> (last visited on March 30, 2023).

Reentry Programming

The Transition Assistance Program Act¹⁰ directs the DOC to assist incarcerated individuals who are re-entering society, and in accordance with adopted administrative rules.¹¹ The DOC is authorized to pay contractual services in support of such re-entry programs and activities that address the needs of individuals re-entering society, subject to the requirements of chs. 215, 216, and 287, F.S.¹²

Section 944.706, F.S., provides that any inmate eligible for release is eligible for transition assistance.

The DOC may contract with the Department of Children and Families, the Salvation Army, and other public or private organizations, including faith-based service groups, for the provision of basic support services for releasees.¹³

The DOC currently contracts with a number of organizations, including ONH, to provide pre-release and post-release reintegration services.¹⁴ Funding is provided for these programs through recurring and nonrecurring appropriations provided in the General Appropriations Act (GAA).¹⁵

Procurement of Contractual Services with ONH

The DOC has provided the following information regarding its current contract with ONH:

Presently, the Department contracts with ONH to facilitate delivery of pre-release services to incarcerated individuals and post-release services to ex-offenders. This contractual relationship was authorized pursuant to Specific Appropriation 726 of the 2022-2023 General Appropriations Act, and the Department received non-recurring funds for this purpose.

Through Contractual Purchase Order PO C03D83, ONH provides case management, career development, life skills training, job skills training, family reunification, financial assistance, and job placement assistance. Case management includes referrals to resources and services that assist with re-integration to society. Pre-release services can be provided to incarcerated individuals within 12 months of release and housed in any

¹⁰ Sections 944.701-944.708, F.S.

¹¹ Rule 33-601.504, F.A.C.

¹² Chapter 215, F.S., provides general provisions related to financial matters, including transparency in government spending requirements; ch. 216, F.S., provides provisions related to overall state planning and budgeting; and ch. 287, F.S., provides provisions related to the procurement of personal property and services, including competitive procurement requirements.

¹³ Section 944.706, F.S.

¹⁴ 2023 Agency Legislative Bill Analysis (SB 1198) (March 15, 2023), Florida Department of Corrections (on file with the Senate Committee on Criminal Justice). This analysis is further referenced as "DOC Analysis." The other organizations identified by the DOC include: Re-Entry Alliance Pensacola, Inc. (REAP), serving Escambia and Santa Rosa Counties; WestCare GulfCoast - Florida, Inc. (mental health overlay) serving Pinellas County; Abe Brown Ministries, Inc., serving Hillsborough and Polk Counties; The Re-Entry Center of Brevard (Brevard County Re-Entry Portal), serving Brevard County; Regional & State Transition Offender Re-Entry (Restore) Initiative of Palm Beach, serving Palm Beach County; South Florida Behavioral Health Network, dba Thriving Mind, serving Miami-Dade County; and Home Builders Institute, Inc., serving Palm Beach County. *Id.*

¹⁵ *DOC Analysis, supra.*

Department facility. Post-release services can be provided to any ex-offender within travel distance of ONH locations. “Ex-offender” includes ex-offenders on felony supervision, ex-offenders who have served time in a Department facility, participants of any State Attorney’s Office Diversion or Pretrial Intervention Program, or adult ex-offenders who served time in a Department of Juvenile Justice facility. ONH currently serves Duval, Columbia, Gadsden, Volusia, Putnam, and St. Johns Counties.¹⁶

State Funding for ONH

Beginning in FY 2015-16, ONH received a recurring appropriation of \$2,225,000 in the GAA.¹⁷ Prior to FY 2015-16, ONH had received different recurring appropriation amounts. Contracts for commodities or services may be awarded without competitive procurement if state or federal law prescribes with whom the agency must contract or if the rate of payment or recipient of funds is established during the appropriations process.¹⁸

Additionally, ONH requested and received \$3,450,000 in nonrecurring funding as appropriations projects in the FY 2022-23 GAA.¹⁹ Legislative Joint Rules require, for an “appropriations project” to be included in a budget conference committee report, the project must be included in a bill or an amendment placed into a budget conference and specified information about the project must have been published online.²⁰ Funding of an “appropriations project” is limited to nonrecurring funds. Appropriations for projects are not subject to the “appropriations project” requirements and limitations if specifically authorized by statute.²¹

III. Effect of Proposed Changes:

The bill authorizes²² the DOC to contract with ONH, a nonprofit organization exempt from taxation pursuant to s. 501(c)(3) of the Internal Revenue Code, to provide reentry services to inmates both before and after release from incarceration. A contract with ONH must be authorized by and consistent with funding appropriated in the GAA.

The bill takes effect July 1, 2023.

¹⁶ *Id.*

¹⁷ Specific Appropriation 766, ch. 15-232, L.O.F.

¹⁸ Section 287.057(10), F.S.

¹⁹ Specific Appropriation 726, ch. 22-156, L.O.F.

²⁰ Joint Rule 2.3, Joint Rules of the Florida Legislature (2022-2024).

²¹ Joint Rule 2.2(4)(b), Joint Rules of the Florida Legislature (2022-2024).

²² The DOC notes: “Presently, substance abuse and mental health (medical services) providers can contract with the State of Florida outside of the competitive-solicitation requirements listed in s. 287.057, F.S. More specifically, s. 287.057 (3)(e)5, F.S., provides the competitive-solicitation exemption related to substance abuse programs. The current proposed language in SB 1198 Line 14 which states “may” minimizes the risk of contract challenge.” *DOC Analysis, supra.*

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

The bill does not appear to require cities and counties to expend funds or limit their authority to raise revenue or receive state-shared revenues as specified by Article VII, s. 18, of the State Constitution.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

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

None.

B. Private Sector Impact:

The bill may positively impact ONH if the organization becomes eligible for additional funding.

C. Government Sector Impact:

The bill has no fiscal impact on the DOC. The bill provides that a contract with ONH must be authorized by and consistent with funding appropriated in the GAA.

The DOC states the bill:

[a]uthorizes the Department to contract with ONH, a non-profit organization, contingent on appropriated funding. The bill does not require the Department to contract with ONH. Additionally, the Department is currently in a contractual relationship with ONH. The bill does not exempt the Department from the provisions of s. 287.057, F.S.²³

²³ *Id.* See “Present Situation” section of this analysis for a discussion of that contract.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 944.7071 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.