



# JAIL CONTRACTING/JAIL REIMBURSEMENT & FUNDING FORMULA

EXECUTIVE APPROPRIATIONS COMMITTEE

ISSUE BRIEF

**Background** - Jail Contracting is used to help manage the state inmate population and allows the Department of Corrections to contract with county jails to house state prisoners. Jail Reimbursement is for probationers that violate a condition of their probation and are sent to a county jail on a judges’ order. Corrections contracts with county jails to house State prisoners and the counties are paid a set rate. The counties provide security, supervision, food and other services, while the State pays a specific rate/amount for each program.

**Formula to Determine Rate** – The daily amount paid to counties for the Jail Contracting program is largely determined by the “final state daily incarceration rate”. This “final” rate is set annually by the Legislature. A few things must happen before the Legislature sets the “final state daily incarceration rate.” Per statute, the Department of Corrections annually submits a formula based calculation on the cost of housing state inmates in state facilities. This number advises the Legislature on the daily cost of an inmate in a state facility. For 2012, the three-year average was \$77.94 (down from \$79.44 in FY 2011). While this number informs the Legislature, the Legislature ultimately determines the “final” rate.

The cost to the state for these programs will largely vary on where the Legislature sets this amount. For the current fiscal year, this amount was set at \$64.18 of which a percentage is paid out for both jail programs. Nothing prohibits the Legislature from setting this amount higher or lower than the previous year.

**Jail Contracting** The Jail Contracting program pays 73% of this “final” rate or \$46.85 to county jails per bed per day (and 79% or \$50.70 for a limited number of treatment beds). Unlike the Jail Reimbursement Program, counties have the ability to reject any potential inmate the Department of Corrections proposes. This limits the amount of inmates the Department could house in county jails.

Total Bed Days (Appropriation/Rate)

Appropriation	Rate									
		73% rate			current rate			"average" rate		
		\$ 35.00	\$ 40.00	\$ 45.00	\$ 46.85	\$ 50.00	\$ 55.00	\$ 56.90	\$ 60.00	
		\$ 37.88	\$ 43.29	\$ 48.70	\$ 50.70	\$ 54.11	\$ 59.52	\$ 61.57	\$ 64.93	
		\$ 47.95	\$ 54.79	\$ 61.64	\$ 64.18	\$ 68.49	\$ 75.34	\$ 77.94	\$ 82.19	
	\$ 22,000,000	1,710	1,495	1,327	1,274	1,193	1,084	1,047	992	
	\$ 23,000,000	1,788	1,563	1,388	1,333	1,248	1,133	1,095	1,038	
	\$ 24,000,000	1,866	1,632	1,449	1,391	1,303	1,183	1,143	1,084	
	\$ 25,000,000	1,945	1,700	1,510	1,450	1,358	1,233	1,191	1,129	
	\$ 25,215,200	1,961	1,715	1,523	1,462	1,369	1,244	1,202	1,139	
	\$ 26,000,000	2,023	1,768	1,571	1,508	1,412	1,283	1,240	1,175	
FY 2014 Base	\$ 26,232,800	2,041	1,784	1,585	1,522	1,425	1,294	1,251	1,186	
	\$ 27,000,000	2,101	1,837	1,632	1,567	1,467	1,333	1,288	1,221	
FY 2013 Total	\$ 27,512,800	2,141	1,872	1,663	1,597	1,495	1,358	1,312	1,244	
	\$ 28,000,000	2,179	1,905	1,692	1,625	1,522	1,382	1,336	1,266	
	\$ 29,000,000	2,258	1,974	1,753	1,684	1,577	1,432	1,384	1,312	
	\$ 30,000,000	2,336	2,042	1,814	1,742	1,632	1,482	1,432	1,358	
	\$ 31,000,000	2,414	2,111	1,875	1,801	1,686	1,532	1,480	1,403	
	\$ 32,000,000	2,493	2,179	1,936	1,859	1,741	1,582	1,529	1,449	
	\$ 33,000,000	2,571	2,248	1,997	1,917	1,796	1,632	1,577	1,495	
	\$ 34,000,000	2,649	2,316	2,058	1,976	1,851	1,681	1,625	1,540	
	\$ 35,000,000	2,727	2,385	2,119	2,034	1,905	1,731	1,673	1,586	
	\$ 36,000,000	2,806	2,453	2,179	2,093	1,960	1,781	1,721	1,632	

## JAIL CONTRACTING/JAIL REIMBURSEMENT FUNDING

**FY 2014** – The base appropriation for FY 2014 is \$26,232,800. At this rate and funding, approximately 1,522 beds per day for this fiscal year can be funded. As illustrated in the table, any change to the either the appropriation or the rate, will change the number of beds per day that can be funded. For FY 2014, assuming the Department of Corrections needs an estimated 160 additional beds, at the current rate, the cost will be an additional \$2,756,000 ongoing from the General Fund. Assuming the Legislature adopts the higher “final” rate of \$77.94 the daily rate paid to counties will be \$56.90 and the cost will be an additional \$8,974,300 ongoing from the General Fund. Depending on where the Legislature sets the rate the cost may be lower or higher.

**Jail Reimbursement** The Jail Reimbursement program pays 50% of the “final” rate - \$32.09 per bed per day (based on a 5-year population average), or until funds run out. Converse to Jail Contracting, one payment is made to each county annually. Also, probation violators under the Jail Reimbursement program must be housed by the county jail – the county does not have the ability to reject these offenders.

### Total Bed Days (Appropriation/Rate)

		Rate		current rate		"average" rate		
Appropriation		50% Rate	\$ 25.00	\$ 30.00	\$ 32.09	\$ 35.00	\$ 38.97	\$ 40.00
		"Final" Rate	\$ 50.00	\$ 60.00	\$ 64.18	\$ 70.00	\$ 77.94	\$ 80.00
	\$ 3,000,000		329	274	256	235	211	205
	\$ 4,000,000		438	365	342	313	281	274
	\$ 5,000,000		548	457	427	391	352	342
	\$ 6,000,000		658	548	512	470	422	411
	\$ 7,000,000		767	639	598	548	492	479
	\$ 8,000,000		877	731	683	626	562	548
	\$ 9,000,000		986	822	768	705	633	616
	\$ 10,000,000		1,096	913	854	783	703	685
FY '13/14	\$ 11,000,000		1,205	1,005	939	861	773	753
	\$ 12,000,000		1,315	1,096	1,025	939	844	822
FY '14 proj.	\$ 12,944,333		1,419	1,182	1,105	1,013	910	887
	\$ 13,000,000		1,425	1,187	1,110	1,018	914	890
	\$ 14,000,000		1,534	1,279	1,195	1,096	984	959
	\$ 15,000,000		1,644	1,370	1,281	1,174	1,055	1,027
	\$ 16,000,000		1,753	1,461	1,366	1,252	1,125	1,096
	\$ 17,000,000		1,863	1,553	1,451	1,331	1,195	1,164

**FY 2014** – The base appropriation for FY 2014 is \$11,000,000. At this funding and rate (\$32.09 per day), the State can “fully” fund approximately 939 beds. For FY 2014, CCJJ estimates approximately 1,105 beds needed, which if fully funded, would cost an additional \$1,944,300 from the General Fund. Assuming the Legislature adopts the higher “final” rate of \$77.94 the daily rate paid to counties will be \$38.97 and the cost will be an additional \$4,717,600 ongoing from the General Fund. As with Jail Contracting, any change to the either the appropriation or the rate, will change the number of beds per day that can be funded.