

Department of Legislative Services
 Maryland General Assembly
 2004 Session

FISCAL AND POLICY NOTE

Senate Bill 199 (Senator McFadden)
 Education, Health, and Environmental Affairs and Budget and Taxation

Correctional Education - Waiting List Reduction Initiative

This bill requires the Maryland State Department of Education (MSDE) to reduce the number of inmates on waiting lists for educational programs in correctional institutions over a five-year period, beginning in fiscal 2006. MSDE must create a plan that assures the best use of resources appropriated for the purpose of reducing the waiting list. The plan must be submitted to the Governor and the General Assembly by February 1 of each year from 2005 to 2010. Each year, the Governor must include sufficient funds in the State budget to implement the bill. General funds appropriated in connection with this initiative that are unexpended at the end of a fiscal year do not revert to the general fund, but remain available for use on the initiative in future fiscal years.

The bill takes effect July 1, 2004.

Fiscal Summary

State Effect: General fund expenditures would increase by an estimated \$958,700 in FY 2006 to hire additional correctional education teachers. Future year expenditures reflect the cost of hiring more teachers each year to further reduce the waiting lists for correctional education. Revenues would not be affected.

(\$ in millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	1.0	1.9	3.1	4.3
Net Effect	\$0	(\$1.0)	(\$1.9)	(\$3.1)	(\$4.3)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Funds for the operation of educational programs in correctional institutions must be provided in the budget for MSDE each year. The Department of Public Safety and Correctional Services (DPSCS) and other State agencies may contribute to correctional education programs. Funding provided for correctional education may not be diverted to any other purpose.

Background: As noted in the bill's preamble, a high percentage of Maryland inmates are in need of educational services, and a large number of inmates attempt to enroll in educational programs during their stays in Maryland prisons. MSDE reports that there is a correctional education waiting list of approximately 2,000 inmates at any given time.

Inmates who receive educational services while in correctional settings are generally motivated and successful. Fiscal 2003 Managing for Results (MFR) outcomes from MSDE show an attendance rate in correctional education of 96.6% and a GED passing rate of 60.5%. MSDE awarded 1,180 Adult Literacy Certificates and 754 high school completions to inmates in fiscal 2003, down from 1,648 and 926 respectively in fiscal 2002. MFR outcomes also report that only 18.8% of eligible inmates were served in fiscal 2003, down from 20.1% in fiscal 2002.

The proposed fiscal 2005 State budget includes \$22.3 million for the MSDE Division of Correctional Education, an increase of more than 50% over the fiscal 2004 appropriation. The increase reflects the MSDE takeover of educational services at the Charles H. Hickey, Jr. School, a facility for juveniles, and does not impact adult correctional education. The proposed amount includes \$20.8 million in general funds, \$1.5 million in federal funds, and \$50,000 in reimbursable funds from DPSCS.

State Expenditures: General fund expenditures would increase by an estimated \$958,748 in fiscal 2006 to hire more teachers for correctional education programs and more administrative staff to maintain inmate educational records. In future years, costs would increase as additional personnel are hired to further reduce correctional education waiting lists. By fiscal 2009, with still one year before the reduction plan would be fully implemented, the expenditure increase would be an estimated \$4.3 million. These estimates are based on the following information and assumptions.

- Sufficient classroom space for correctional education programs already exists. Waiting lists have formed because of the lack of correctional education teachers and the lack of funding for correctional education programs.

- MSDE could develop a waiting list reduction plan and submit the first required report in fiscal 2005 without additional costs to the agency. The plan would include the methods that would be used to attract and retain more correctional education teachers and estimates of the funding needed to hire the additional teachers.
- There are approximately 2,000 inmates on correctional education waiting lists. The goal would be to reduce this number to 200 inmates by fiscal 2010, with 20% of the difference (360 inmates) eliminated each year.
- Assuming that class sizes would average 15 students and that two sessions (morning and afternoon) could be taught each day, a teacher could serve 30 inmates per day. Therefore, 12 new teachers (12 x 30 = 360) would be needed annually from fiscal 2006 to 2010.
- In addition to the teachers, one new teacher supervisor would be needed in fiscal 2006, and four new administrative assistants would also be phased in by fiscal 2008 to maintain the additional inmate records.
- Costs of approximately \$40 per inmate and \$130 per staff member would also be incurred for instructional materials and administrative supplies.

	<u>FY 2006</u>	<u>FY 2007</u>
Salaries and Fringe Benefits	\$942,366	\$1,910,734
Supplies and Materials	<u>16,382</u>	<u>32,959</u>
Total State Expenditures	\$958,748	\$1,943,693

Future year expenditures reflect: (1) the hiring of 12 additional teachers each year through fiscal 2010; (2) salaries with 4.6% annual increases and 3% employee turnover; and (3) 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: A similar bill was introduced at the 2003 session as HB 545. The bill received an unfavorable report from the House Committee on Ways and Means.

Cross File: None.

Information Source(s): Maryland State Department of Education, Department of Public Safety and Correctional Services, Department of Legislative Services

Fiscal Note History: First Reader - February 9, 2004
mh/hlb

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