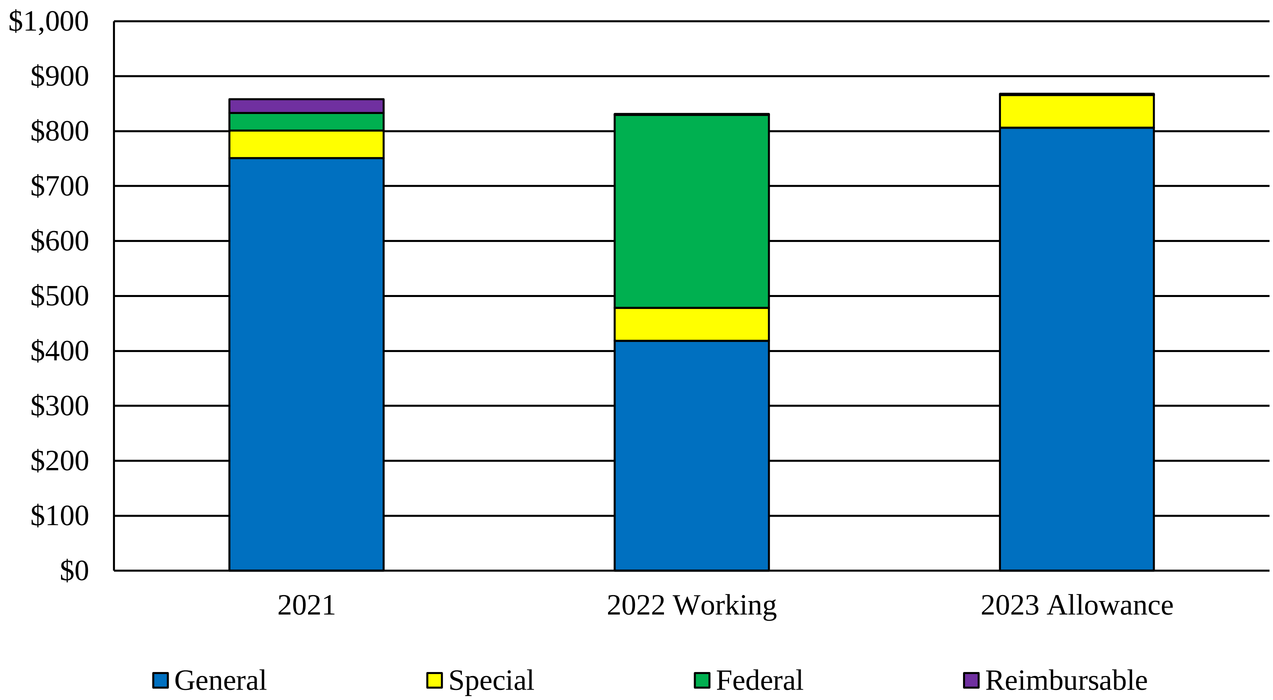
Q00B
Corrections
Department of Public Safety and Correctional Services

Executive Summary

Corrections is the primary charge of the Department of Public Safety and Correctional Services (DPSCS). This functional unit is comprised of the Division of Correction (DOC) and the Patuxent Institution (PATX), which have a combined average daily population (ADP) of approximately 15,700 offenders, and Maryland Correctional Enterprises (MCE), which is the prison industry arm of the department. These agencies are allowed 5,071 regular positions and receive approximately 61% of departmental resources in fiscal 2023.

Operating Budget Summary

Fiscal 2023 Budget Increases $36.4 Million, or 4.4%, to $868.0 Million
($ in Millions)



Note: The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

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- ***$350 Million in Fiscal 2022 General Funds Swapped for Federal Funds:*** Due to the large amount of available federal aid, $350 million in general funds were removed from fiscal 2022 and replaced with $350 million in federal funds because correctional officer (CO) salaries are an eligible COVID-19 expense.

- ***Personnel Costs Increase by $34 Million:*** A decrease in budgeted turnover (funds unneeded due to positions going unfilled) drives the budget increase. A portion of the personnel increase is also attributable to targeted step increases and a higher base for personnel costs, resulting in higher regular earnings, overtime, and fringe benefits despite no increase in overall employment.

Key Observations

- ***Correctional Population Slightly Rebounding in Fiscal 2022:*** The sustained, steep population decline from COVID-19 began to reverse course in mid-calendar 2021. DPSCS would need a sustained population increase of 130% to reach the prepandemic staff-to-inmate ratio.

- ***Sales and Inmate Employment for MCE Remain Low:*** Sales dropped to an eight-year low despite being greater than expenses for fiscal 2021. MCE continues to operate at lower capacities due to the continued pandemic and low demand for office furniture.

- ***Fewer Young People Incarcerated:*** In the past 10 years, the number of young inmates (less than 30 years old) decreased by over half, now falling below 4,000 inmates for the first time.

Operating Budget Recommended Actions

1. Add budget bill language restricting funds for quarterly hiring and attrition reports.

Operating Budget Analysis

Program Description

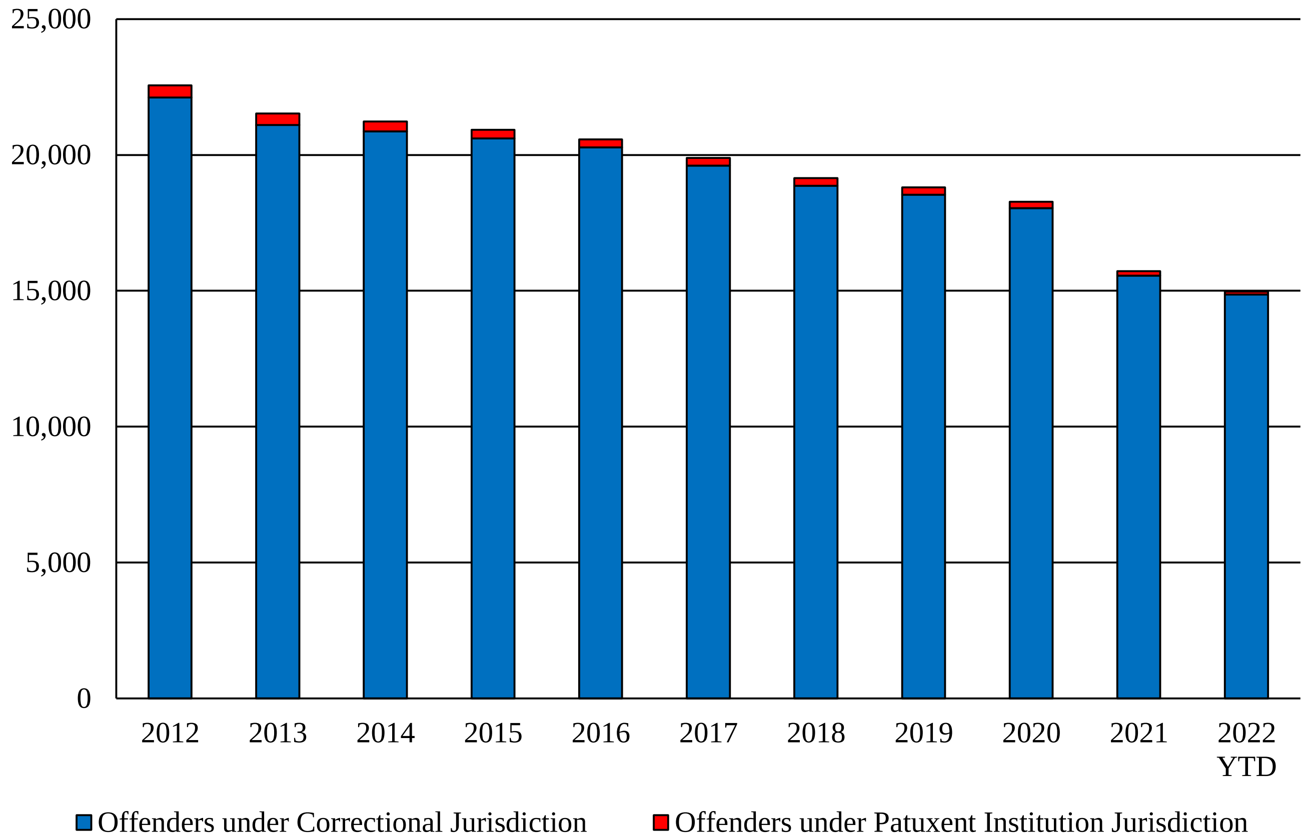
This analysis examines the DPSCS Corrections function, which includes the operations of State correctional facilities under DOC and PATX as well as MCE. DOC operates 11 correctional facilities, including the Maryland Correctional Institution for Women (MCI-W). The remaining two State correctional facilities fall under the Division of Pretrial Detention and Services (DPDS) due to their location in Baltimore City. The Corrections function, in accordance with applicable State and federal law, works to protect the public, its employees, and offenders under its supervision. The function also works to return offenders to society with the necessary tools for success by offering job skills improvement, educational programming, mental health therapy, and drug treatment.

Performance Analysis: Managing for Results

1. Inmate Population Decline

In fiscal 2021, offender populations under DPSCS correctional custody recorded a record-breaking decline. From fiscal 2020 to 2021, the inmate population under correctional or Patuxent jurisdiction declined from 18,281 to 15,726, a considerable decrease of 14%. **Exhibit 1** shows that the ADP of sentenced offenders in DPSCS custody declined by a total of 30% from fiscal 2012 to 2022. It should be noted that Exhibit 1 shows the ADP of all State-sentenced offenders rather than the ADP of DOC facilities only. In fiscal 2021, an average of 462 sentenced offenders were kept each day at the Central Home Detention Unit (CHDU), State hospitals, transitional housing, or in the custody of other jurisdictions. An average of 365 sentenced offenders were kept in DPDS facilities, while 344 pretrial offenders were kept at the Baltimore Pretrial Facility – Jessup (BPF-J) and 6 in MCI-W. Both are DOC facilities.

Exhibit 1
Average Daily Population under Correctional Jurisdiction
Fiscal 2012-2022 Year to Date



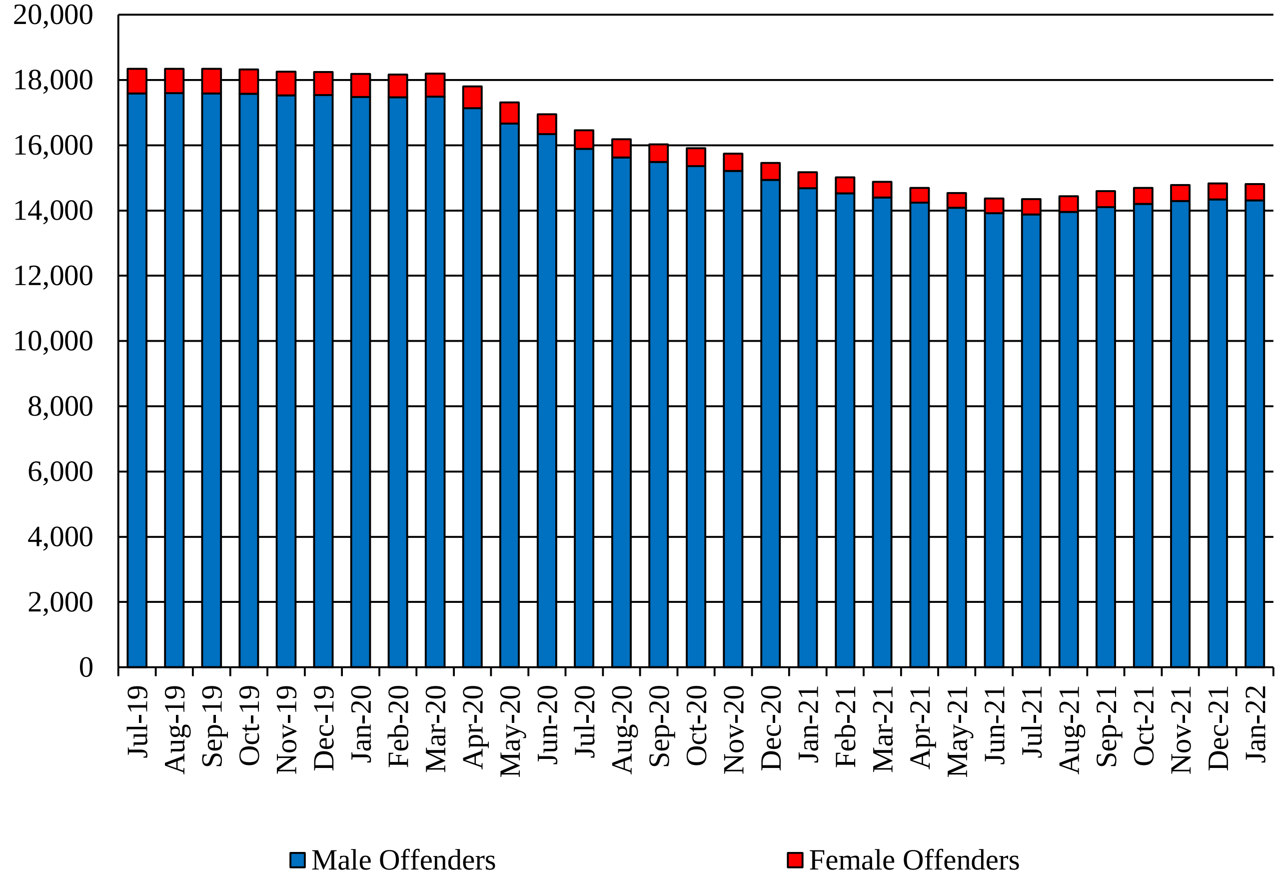
YTD: year to date

Source: Department of Public Safety and Correctional Services

Population Trends Beginning to Shift in Fiscal 2022

When comparing the eight months before the pandemic to the eight months after the pandemic, the inmate population declined 16 times faster in the first eight months of the pandemic compared to the previous eight months. Several periods of court closures during fiscal 2020 and 2021 caused correctional intakes to slow down considerably, while DOC continued to release inmates according to their sentences. These factors drove the inmate population down faster than ever seen before. However, beginning in July 2021, the correctional population began increasing as court processing speeds increased and the backlog of pretrial inmates was addressed. **Exhibit 2** shows the monthly ADP for male and female offenders in the Maryland correctional system since fiscal 2020.

Exhibit 2
COVID-19 Population Changes – Corrections
Fiscal 2020-2022 Year to Date

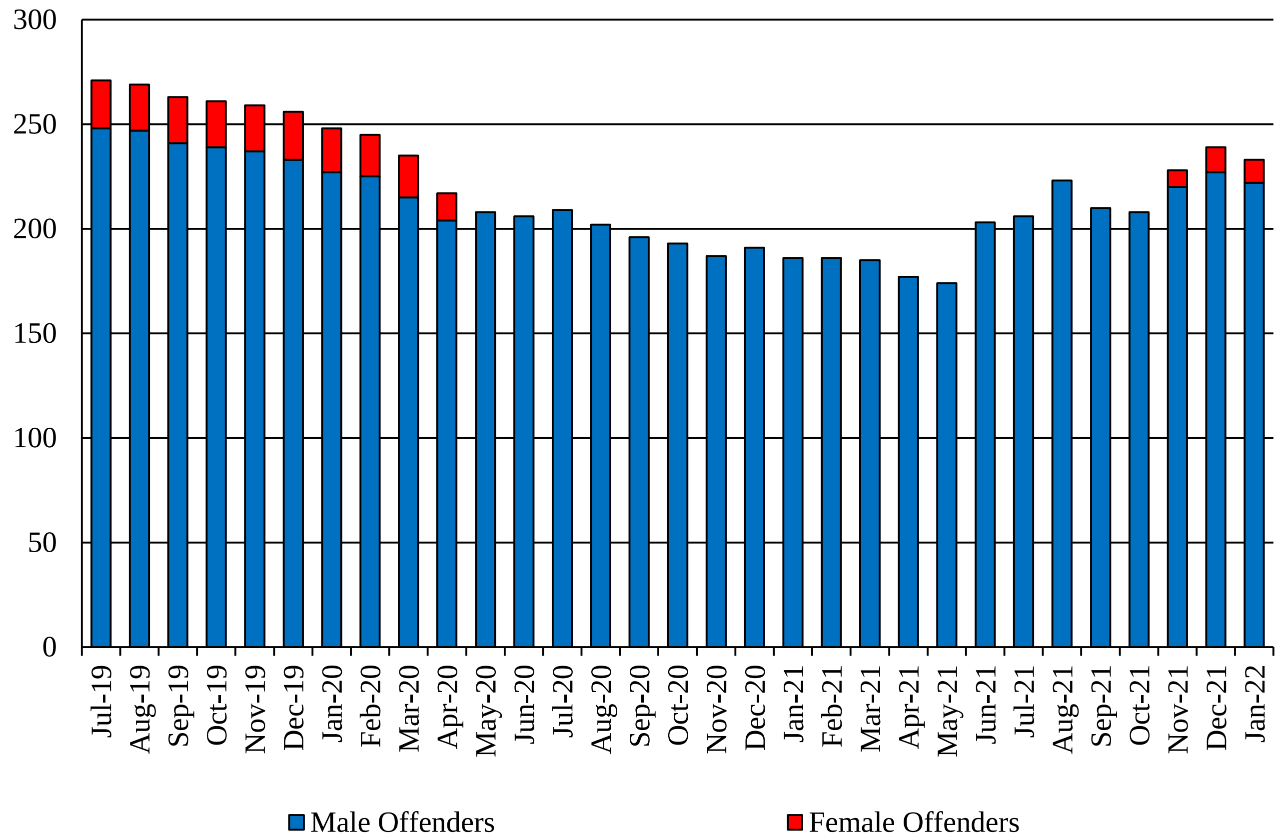


Note: Population shown includes all State-sentenced inmates, excluding those sentenced to the Patuxent Institution.

Source: Department of Public Safety and Correctional Services

Exhibit 3 shows that PATX populations also changed due to COVID-19. All female inmates in PATX were transferred or released in April 2020, although that unit has reopened as of November 2021. The male population at PATX was on a relatively steady decline until June 2021, when the population began to grow. The December 2021 population grew higher than the March 2020 population and remains nearly that high for January 2022.

Exhibit 3
COVID-19 Population Changes – Patuxent Institution
Fiscal 2020-2022 Year to Date

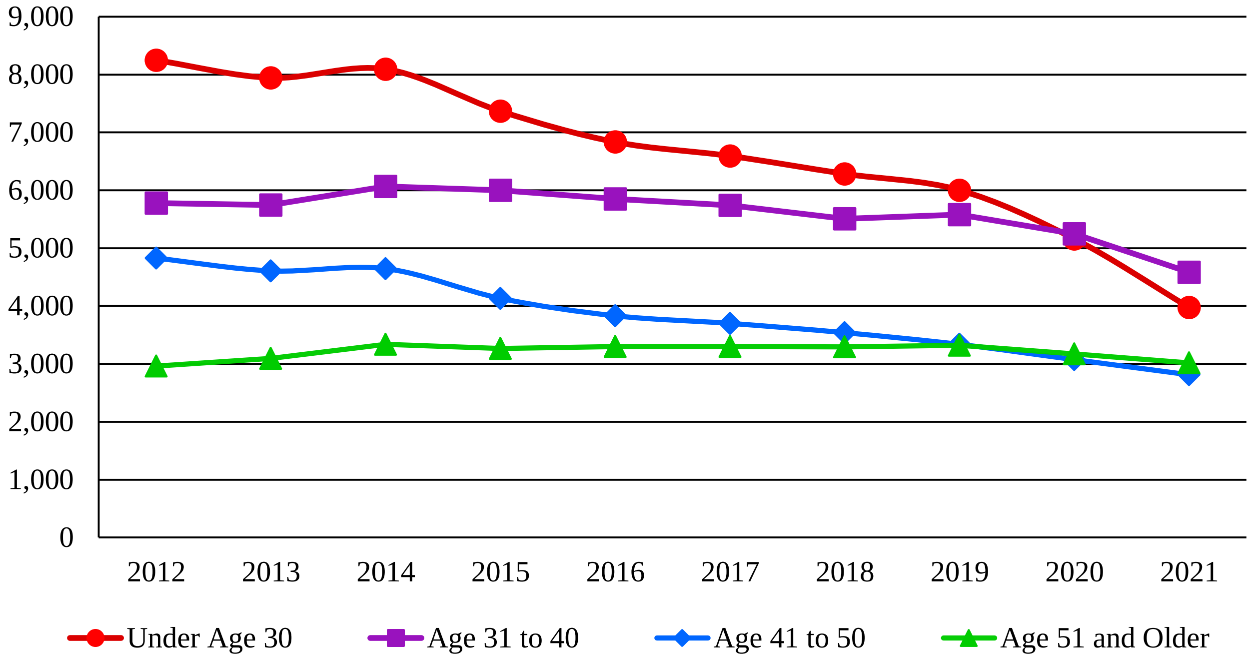


Source: Department of Public Safety and Correctional Services

2. Average Inmate Age Increased to 39.5

Inmates within the State prison system are aging faster than young offenders are added, causing the average inmate age to increase over time. **Exhibit 4** shows inmate age group totals since fiscal 2012. While the under-30 age group made up 37% of the incarcerated population in fiscal 2012 with 8,248 inmates, it made up only 28% in 2021 with just under 4,000 inmates. This marks a 52% decline of 4,271 young people incarcerated in the State prison system.

Exhibit 4
Inmate Population at Fiscal Year-end by Age Group
Fiscal 2012-2021



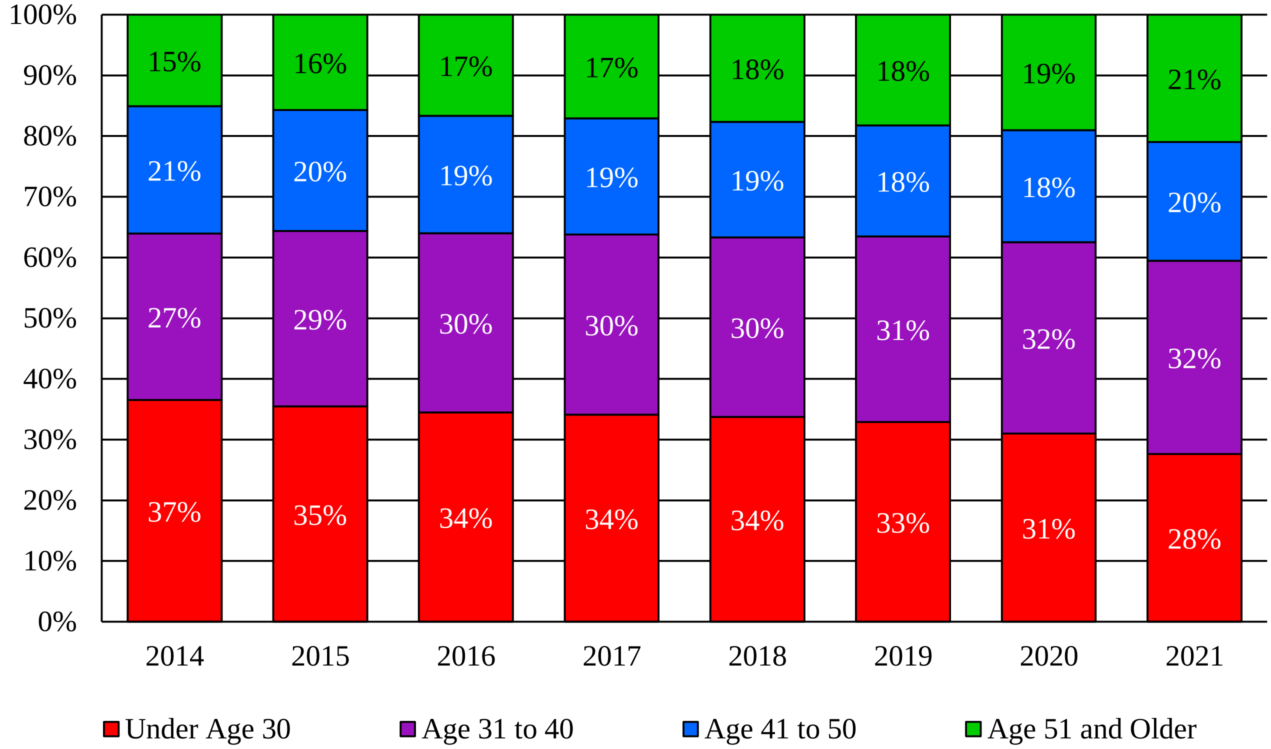
Note: Shows inmate population statistics at the end of each fiscal year as reported in Annual Inmate Characteristics Reports.

Source: Department of Public Safety and Correctional Services

The number of inmates age 51 and older has been relatively stable since fiscal 2012, while the 41 to 50 age group has declined 42%. This is a point-in-time measure including all sentenced offenders in DPSCS custody at the end of the fiscal year.

Exhibit 5 shows inmate age distribution over the same period. As a share of the population, there are now more older inmates than before. The average inmate age is 39.5, whereas it was 38 in fiscal 2019 and 2020. Jessup Correctional Institution currently has the highest average inmate age at 42.2 years, while the correctional facilities with the lowest average inmate age are the Maryland Reception Diagnostic and Classification Center at 36.2 years and Baltimore City Correctional Center at 36.3 years. Both of those facilities house primarily short-sentenced inmates from Baltimore City.

Exhibit 5
Inmate Age Distribution
Fiscal 2014-2021



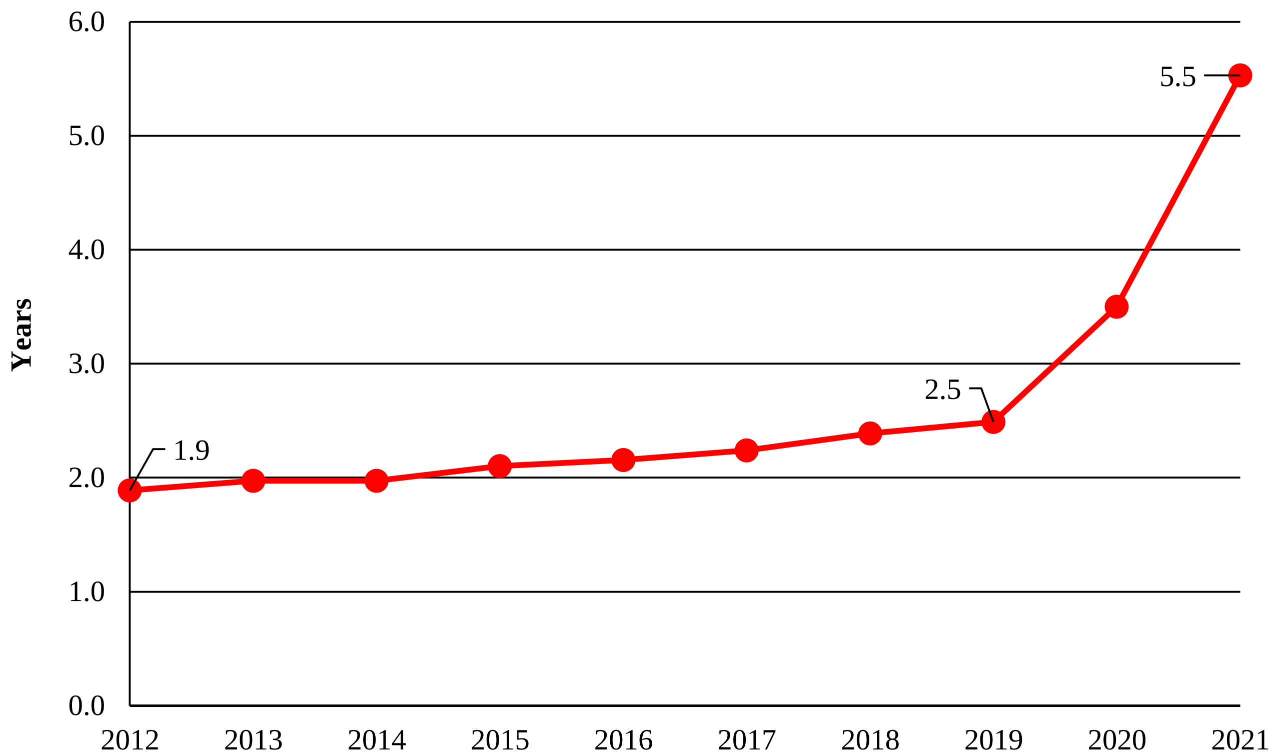
Note: Shows inmate population statistics at the end of each fiscal year as reported in Annual Inmate Characteristics Reports.

Source: Department of Public Safety and Correctional Services

3. Average Length of Stay Increased Sharply in Fiscal 2021

The average length of stay (ALOS) for inmates at DPSCS facilities was 1.9 years in fiscal 2012 but increased steadily to 2.5 years in fiscal 2019 – a 39% increase in the time that it takes the average offender to be released. In fiscal 2020, however, ALOS went up substantially to 3.5 years due to COVID-19 court closures and decreased intakes to DOC. In fiscal 2021, the first full year of COVID-19 operations, the length of stay increased to 5.5 years. Monthly intakes were consistently low in fiscal 2021, resulting in fewer short-sentenced inmates to bring the ALOS down.

Exhibit 6
Average Length of Stay
Fiscal 2012-2021

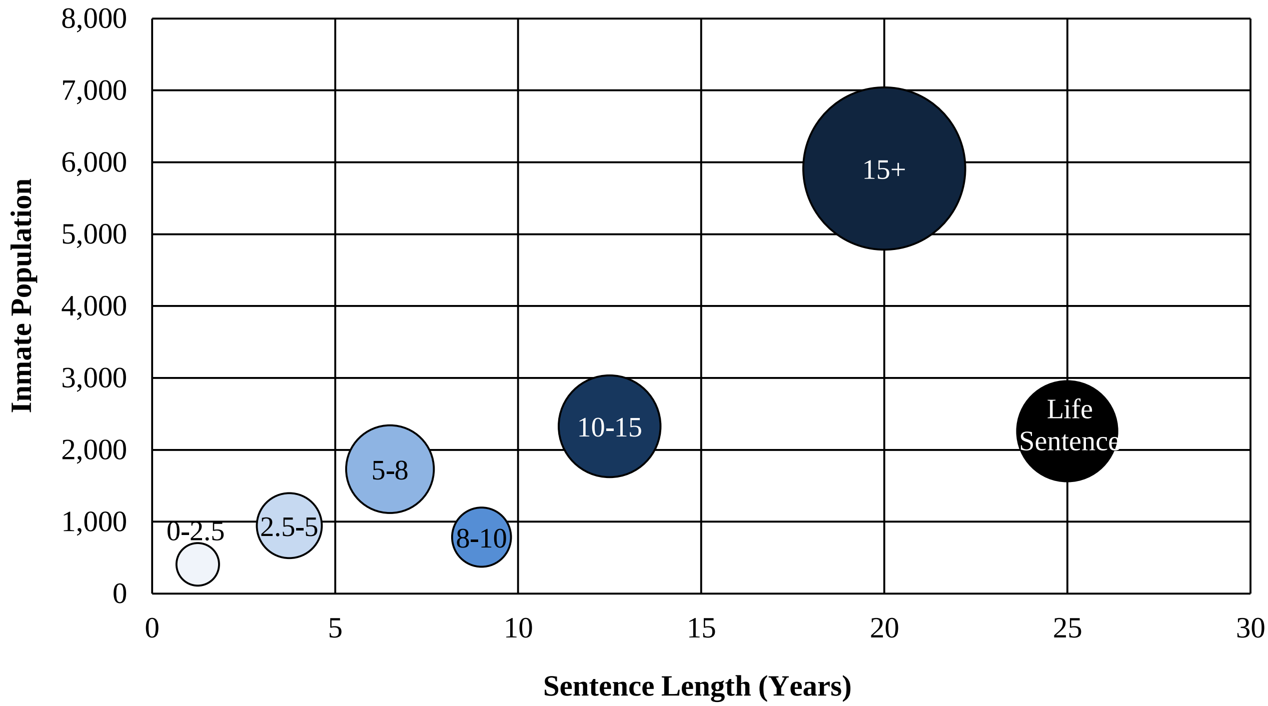


Source: Department of Public Safety and Correctional Services

Most inmates who remain in DPSCS custody are incarcerated for violent offenses, including homicide (31%), assault (13%), and sexual assault (11%), while a significant portion are incarcerated for property crimes, including robbery (19%), burglary (5.3%), and theft (21%).

Exhibit 7 groups the inmate population by sentence length, showing that a majority of those remaining in DPSCS custody are serving medium-term or extended sentences, which is consistent with recent court delays and the most serious offense category of remaining inmates. There are only 34 inmates serving sentences of less than a year and only 123 inmates serving sentences between 1 and 2 years. By comparison, 8,171 inmates are currently serving sentences longer than 15 years, with 2,258 incarcerated for life sentences.

Exhibit 7
Inmate Population by Sentence Length
Fiscal 2021



Note: Each bubble represents a group of inmates with similar sentence lengths as indicated in each label. Placement on the x-axis is approximate. The size of each bubble and placement on the y-axis corresponds to the size of each group.

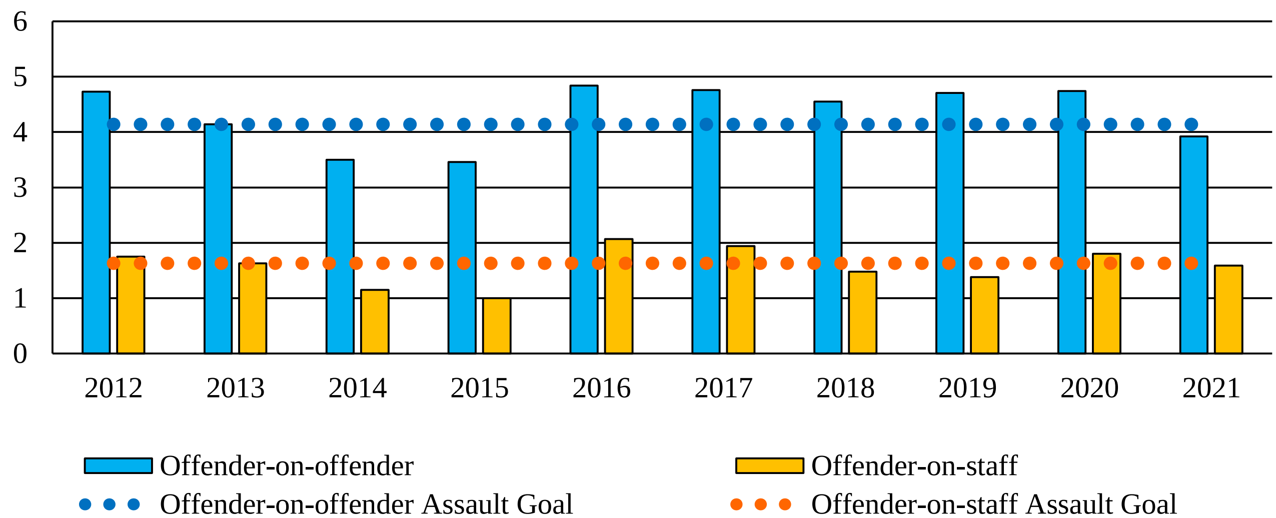
Source: Department of Public Safety and Correctional Services

4. Assaults Hover Below Goals

From fiscal 2020 to 2021, both offender-on-offender and offender-on-staff assault rates declined. Within DOC facilities, Dorsey Run Correctional Facility (DRCF) has the current highest offender-on-offender assault rate of 6.6 assaults per 100 ADP for fiscal 2021, which is a decrease from its fiscal 2019 and 2020 levels. Central Maryland Correctional Facility (CMCF) has the highest offender-on-staff assault rate in fiscal 2021 at 3.45 assaults per 100 ADP. Offender-on-offender assaults are currently 338% higher in detention facilities than correctional facilities, and offender-on-staff assaults are 303% higher in detention facilities than correctional facilities. This is generally due to the nature of holding a pretrial inmate in detention and the physical layout of many DPDS facilities, which are more communal in nature.

Exhibit 8 shows current assault rates by target of assault for fiscal 2012 through 2021. Offender-on-offender assaults were previously above the goal of 4.1 assaults per 100 ADP but decreased below for the first time since fiscal 2015. Offender-on-staff assaults increased over the goal of 1.6 assaults per ADP in fiscal 2020 for the first time since fiscal 2017 but decreased below the goal again in fiscal 2021.

Exhibit 8
Assaults in Correctional Facilities Per 100 ADP
Fiscal 2012-2021



ADP: average daily population

Source: Department of Public Safety and Correctional Services

Fiscal 2022

Proposed Deficiency

DPSCS Corrections receives a general fund deficiency appropriation of $11.1 million for retroactive step increases to critical employees that matches the amount in the allowance. An additional $400,000 was added for elevator replacements at Maryland Correctional Institution – Jessup.

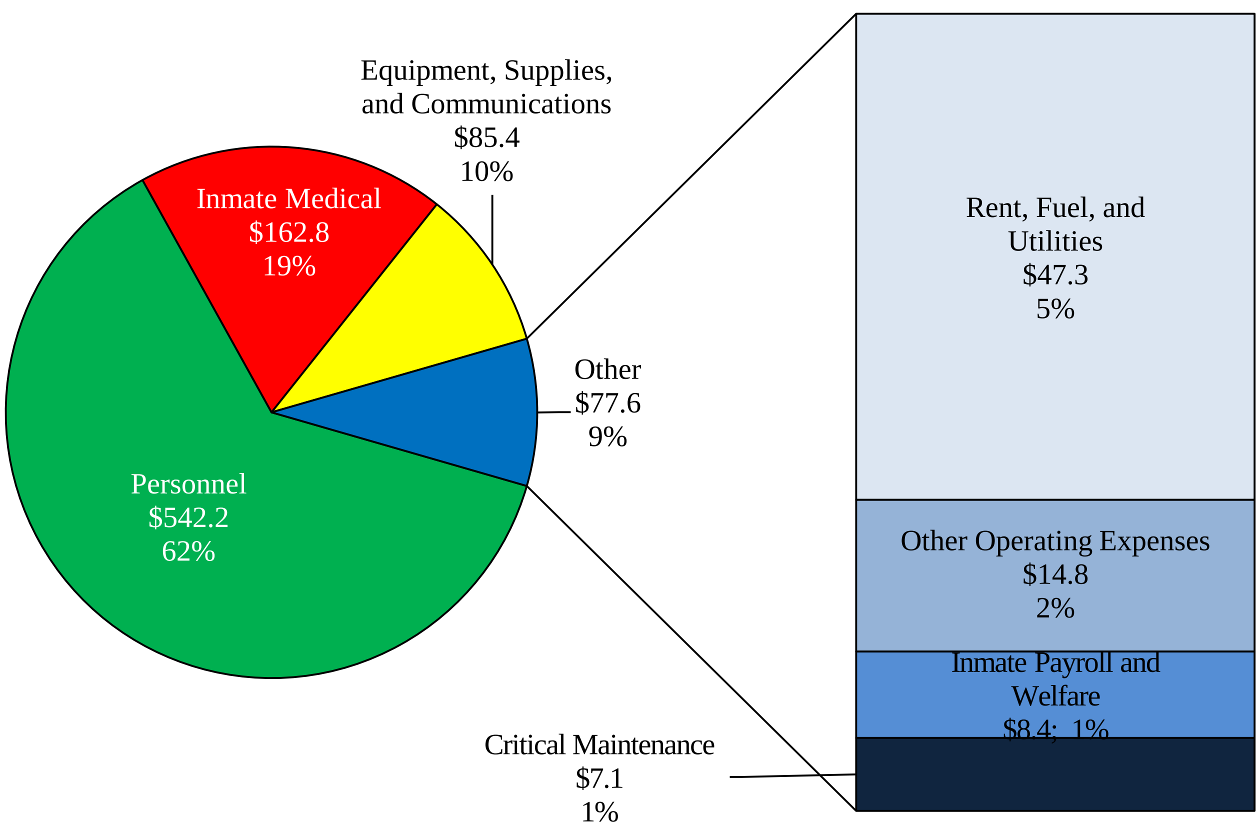
Federal Stimulus Fund Swap

Two fund swaps were made to save general funds – contingent language in the fiscal 2023 Budget Bill reduces general funds in the working appropriation by a total of $350 million. These reductions are offset by a fiscal 2022 budget amendment submitted for legislative review on January 3, 2022, providing $100 million in federal Coronavirus Relief Fund monies and a deficiency appropriation providing $250 million in federal American Rescue Plan Act monies. This swap gives the State more flexibility in using general funds without impacting DPSCS spending.

Fiscal 2023 Overview of Agency Spending

The DPSCS Corrections allowance includes $868 million. The majority of funding goes toward employing COs in State correctional facilities. **Exhibit 9** shows the other portions of the correctional budget, with inmate medical care contracts taking up approximately one-fifth.

Exhibit 9
Overview of Agency Spending
Fiscal 2023 Allowance
($ in Millions)



Note: The fiscal 2023 allowance does not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which includes cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

Source: Governor's Fiscal 2023 Budget Books

Proposed Budget Change

The fiscal 2023 allowance increases by $36.4 million over the working appropriation. Absent the $350 million federal stimulus fund swap, general fund growth is approximately 9.1%. **Exhibit 10** breaks this budget change down into the items and programs with major changes.

Exhibit 10
Proposed Budget
Department of Public Safety and Correctional Services – Corrections
($ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2021 Actual	$751,035	$50,158	$31,845	$25,252	$858,289
Fiscal 2022 Working Appropriation	418,170	60,291	350,959	2,156	831,576
Fiscal 2023 Allowance	806,283	59,382	215	2,095	867,975
Fiscal 2022-2023 Amount Change	$388,113	-$909	-$350,744	-$61	$36,399
Fiscal 2022-2023 Percent Change	92.8%	-1.5%	-99.9%	-2.8%	4.4%

Where It Goes:	Change
Personnel Expenses	
Turnover adjustments	$18,150
Regular earnings	4,788
Workers' compensation premium assessment	3,919
Employee and retiree health insurance	2,798
Social Security and retirement contributions	2,029
Overtime earnings	1,976
MCE employee bonuses	485
Other fringe benefit adjustments	98
Other Changes	
Security equipment	10,000
Dietary and food supplies	2,044
Land improvements and building renovations	768
Rent and utilities	479
Justice Reinvestment Act grants for reentry services	300
Housekeeping supplies	192
Employee and inmate uniforms	18
Other contractual services	7

Where It Goes:	**Change**
Education and training contracts	-39
Other supplies	-66
Contractual employee turnover	-91
Communications and rental equipment	-175
Inmate welfare funds and grants	-273
Fiscal 2022 deficiency for elevator replacements at MCI-J	-400
End of MOU with MES to operate boiler room at CMCF	-581
Travel and vehicles	-610
Grounds and building maintenance	-720
MCE production materials	-1,175
Medical care realignment based on population	-7,521
Total	**$36,399**

CMCF: Central Maryland Correctional Facility
MCE: Maryland Correctional Enterprises
MCI-J: Maryland Correctional Institution – Jessup
MES: Maryland Environmental Service
MOU: memorandum of understanding

Note: Numbers may not sum to total due to rounding. The fiscal 2022 working appropriation includes deficiency appropriations. The fiscal 2022 working appropriation and fiscal 2023 allowance do not reflect funding for statewide personnel actions budgeted in the Department of Budget and Management, which include cost-of-living adjustments, increments, bonuses, and may include annual salary review adjustments.

Personnel Costs Account for 94% of Budget Increase

Budgeted turnover is reduced from 15.4% to 10%, increasing the personnel budget by $18 million. The January 2022 vacancy rate for DPSCS Corrections, however, is 11%. This means that DOC may be underfunded in the current fiscal year. On the other hand, the allowance includes approximately $3.8 million more than current vacancies would require, so the department should be able to add filled positions in fiscal 2023.

New Video Management System

DPSCS plans to procure a replacement for the aging and disparate system of closed circuit televisions (CCTV) that are used by the department to remotely monitor and record activities in each correctional and detention facility. The allocation of $10 million in the fiscal 2023 allowance will go toward securing a five-year contract. However, the investment only covers a portion of expected costs, which are estimated to be $22 million over five years. Out-year expenses include approximately $2 million for CCTV hardware and $10 million over five years for storage and network costs. Assuming it would take 14 to 18 months to procure, the estimated start would be likely be in late fiscal 2023 or early fiscal 2024.

Personnel Data

	FY 21 Actual	FY 22 Working	FY 23 Allowance	FY 22-23 Change
Regular Positions	5,351.00	5,095.00	5,071.00	-24.00
Contractual FTEs	18.95	33.44	33.44	0.00
Total Personnel	**5,369.95**	**5,128.44**	**5,104.44**	**-24.00**

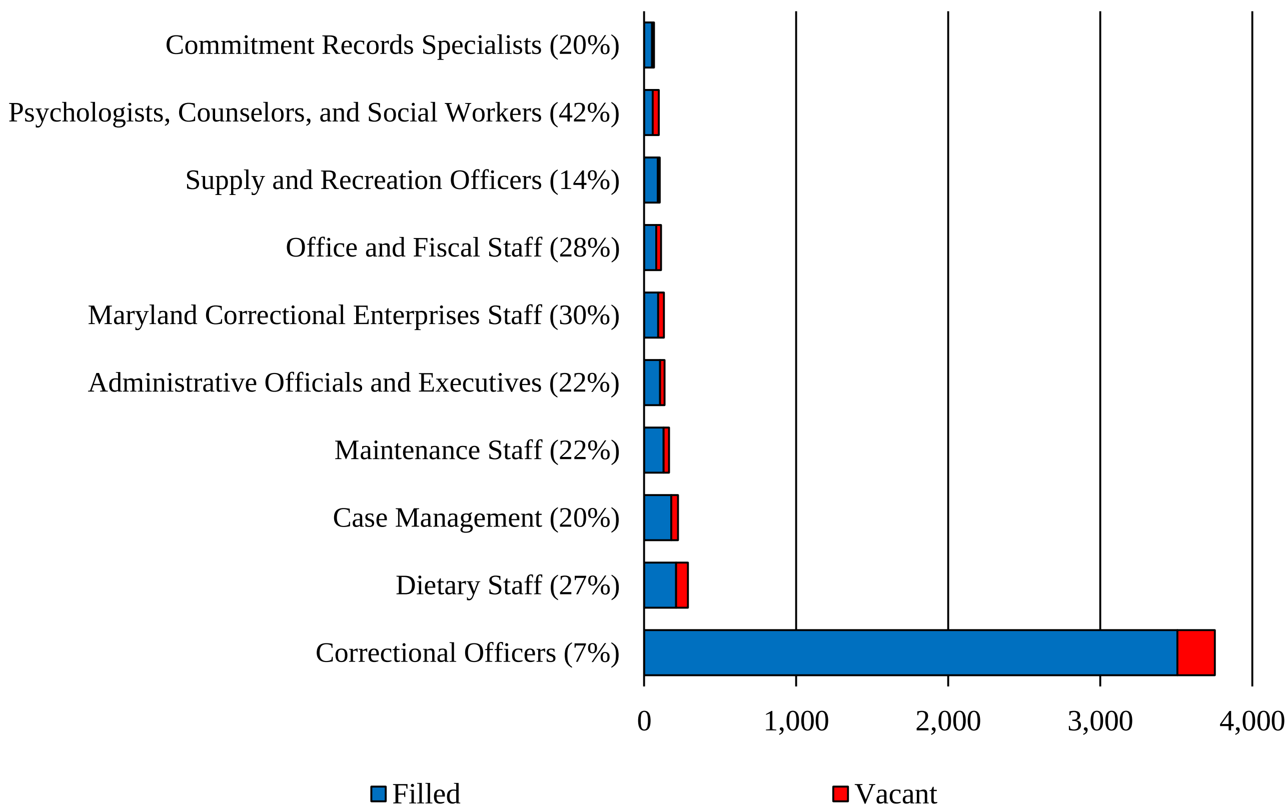
Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	507.10	10.00%
Positions and Percentage Vacant as of 12/31/21	565.00	11.06%
Vacancies Above Turnover	57.90	

- The fiscal 2023 allowance includes 24 position transfers of COs (mostly CO-IIs) to other departmental units. This realignment of personnel resources is partially due to the closure of BPF-J and mirrors the realignment of medical care costs for inmates (reflected in Exhibit 10) based on the share of the inmate population among the custodial units of the department.

The department is primarily made up of COs. While COs made up the most vacancies at 245, they also showed the lowest vacancy rate among classifications at 6.5%. **Exhibit 11** shows how the other employee classifications measure against the CO complement. Vacancies are highest among mental health staff and social workers. While CO vacancies drive overtime costs that have grown to problematic sizes in recent years, vacancies in other classifications at facilities also negatively affect the services rendered by DPSCS.

Exhibit 11
Vacancies by Classification Category
January 2022



Note: Vacancy rates shown in parentheses.

Source: Department of Budget and Management

Issues

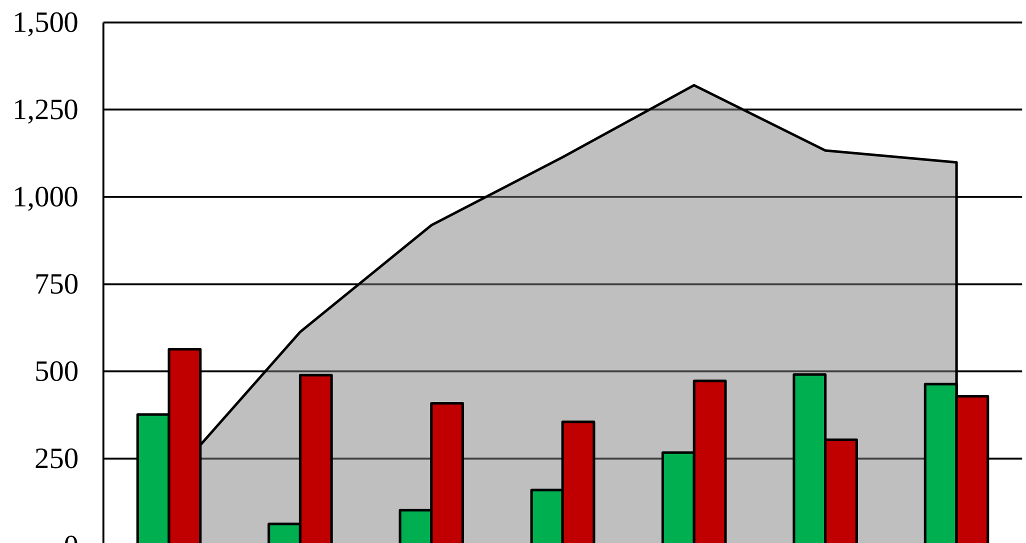
1. CO Employment Increases by 40 Despite Rising Separations

As discussed in the DPSCS Overview budget analysis, DPSCS has struggled since calendar 2015 to hire enough COs and other employees to fill their appropriation and adequately staff their facilities and administrative programs. The CO hiring crisis resulted in a severe amount of overtime hours worked by the majority of COs. Burnout and inefficiencies caused by overworked employees is dangerous in a correctional environment, and assaults were elevated during the worst of the employment crisis.

Cumulative Hiring Gap

DPSCS has made improvements in the hiring and retention of COs, primarily through amending the application process, increasing base pay, and providing a variety of targeted incentives, including new hire and retention bonuses, regional bonuses, and increased pay for those placed in COVID-19 areas. **Exhibit 12** shows the cumulative hiring gap that grew due to separations outpacing hiring. In calendar 2020 and 2021, DPSCS posted the first net increases in COs since 2014.

Exhibit 12
Cumulative CO Hiring Gap
Calendar 2015-2021



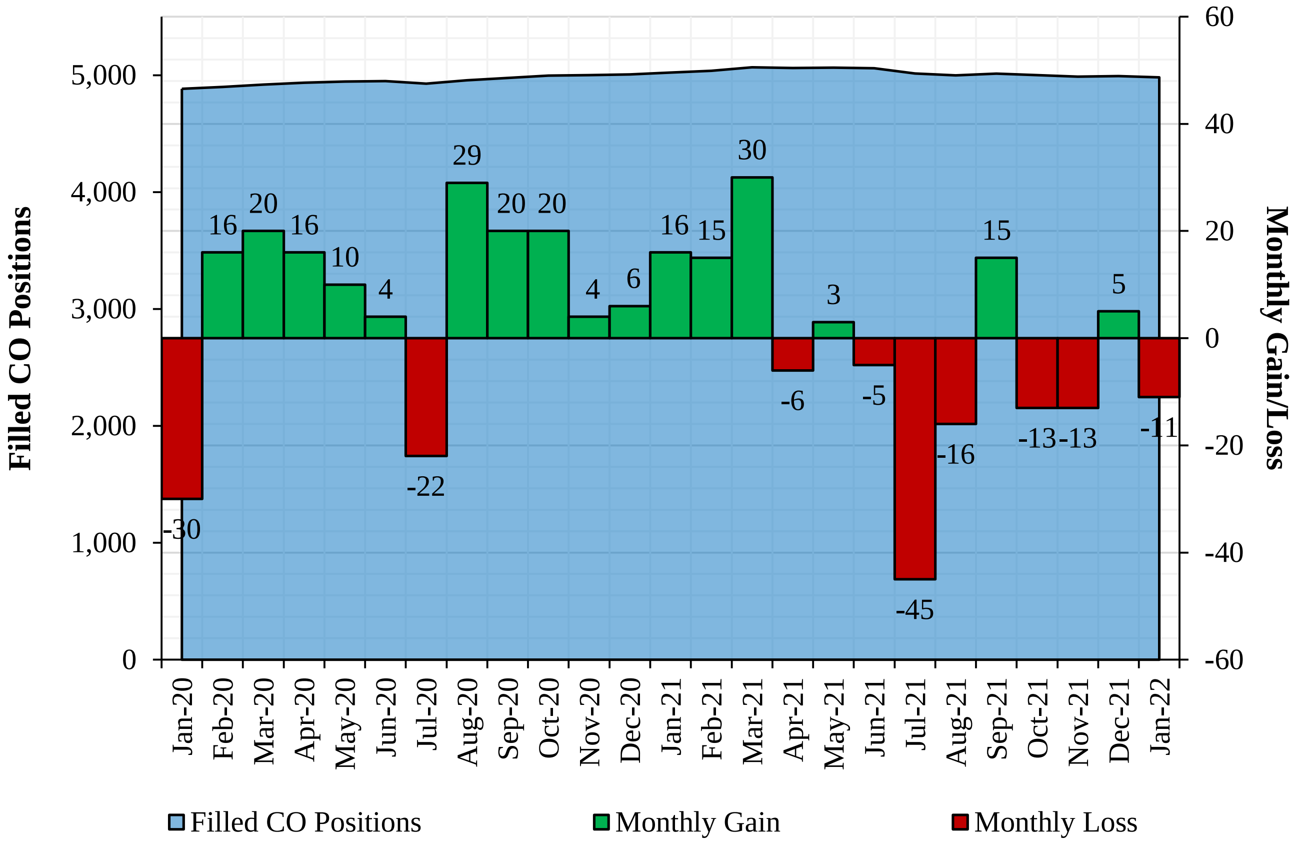
	2015	2016	2017	2018	2019	2020	2021
Cumulative Hiring Gap	187	613	919	1,114	1,320	1,133	1,099
Hired COs	376	63	102	160	267	491	463
Separated COs	563	489	408	355	473	304	429

CO: correctional officer

Source: Department of Public Safety and Correctional Services; Department of Legislative Services

The trend in new hires is positive compared to much of the past decade, but hiring slowed slightly by 5%, and separations increased by 41% from calendar 2020 to 2021. Vacancies across the department began to increase on net in the first quarter of fiscal 2022 – a trend that can be seen in **Exhibit 13**. Resignations and retirements, specifically, increased during these months.

Exhibit 13
CO Monthly Employment Gains or Losses
January 2020 to January 2022



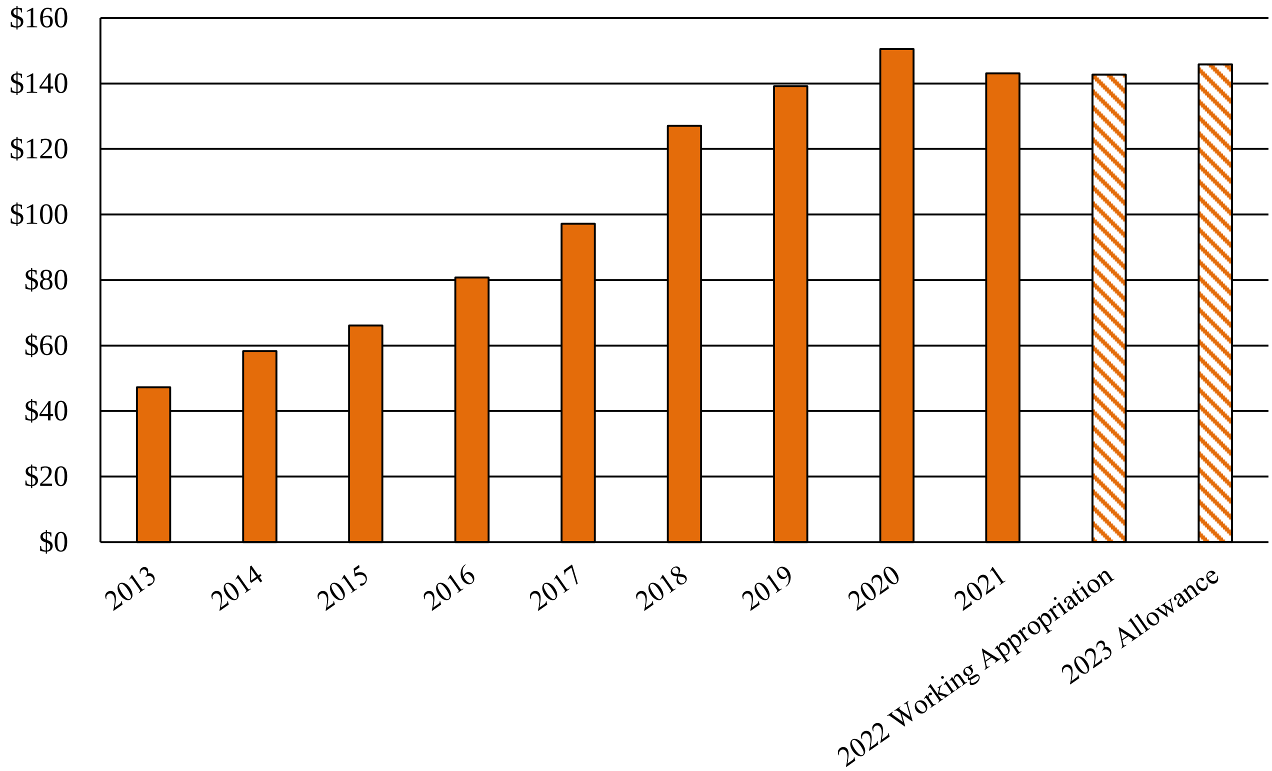
CO: correctional officer

Source: Department of Public Safety and Correctional Services; Department of Legislative Services

Overtime

Spending on overtime has leveled out since DPSCS began adding COs on net. The amount spent each year increased rapidly until reaching the peak of $150 million in fiscal 2020. The current allowance for overtime remains high at approximately $145 million, as seen in **Exhibit 14**.

Exhibit 14
Overtime Costs
Fiscal 2013-2023
($ in Millions)

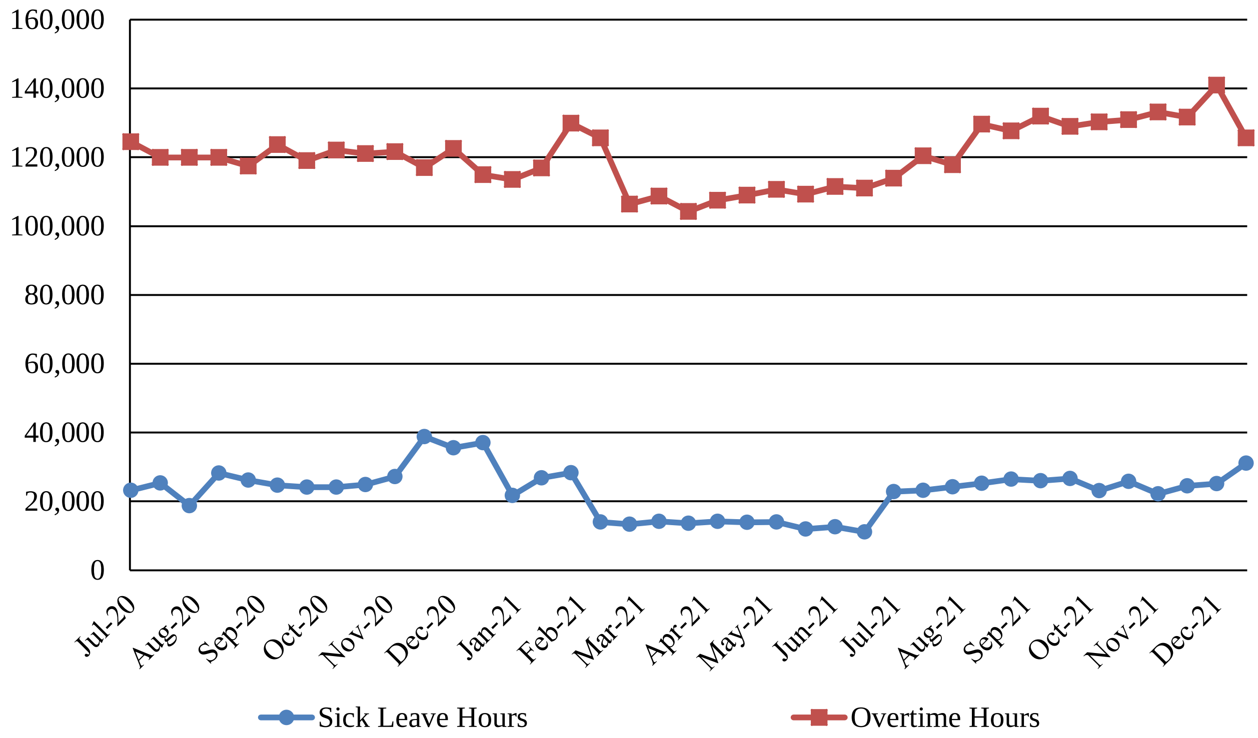


Note: Actual expenditures for 2021 and prior include an adjustment of 7.3% to reflect the cost of Social Security on overtime earnings, which is automatically included in the working appropriation and allowance.

Source: Department of Public Safety and Correctional Services; Governor's Fiscal 2023 Budget Books

Overtime is not only affected by vacancies but by COVID-19 cases and changes in the inmate population. Facilities see less foot traffic currently due to COVID-19 protocols, easing the burden on officers. Similarly, lower populations in custody for DOC results in fewer overtime hours worked, as the number of COs has stayed relatively constant since the beginning of the pandemic. On the other hand, overtime hours worked are about 16% higher during peak COVID-19 months compared to low COVID-19 months. **Exhibit 15** compares sick leave hours to overtime hours worked each pay period in fiscal 2021 and 2022. In fiscal 2022, overtime hours appear to be increasing past fiscal 2021 peak levels, mirroring trends in CO employment and sick days that both contribute to a greater need for overtime shifts.

Exhibit 15
Overtime versus Sick Leave
Fiscal 2021-2022



Source: Department of Public Safety and Correctional Services

Hiring COs remains the most effective way of reducing overtime costs. Regular earnings are less expensive for the State than overtime earnings, and well-rested employees perform better than overworked employees. **DPSCS should comment on their efforts to keep overtime costs low and prevent CO burnout.**

Fiscal 2022 budget bill language restricted $200,000 in general funds until DPSCS submitted the second of four hiring and attrition reports on January 15, 2022. The report was received on January 25, 2022. Having reviewed the data and used it in development of the fiscal 2023 budget analyses, the Department of Legislative Services (DLS) recommends these withheld funds be released to DPSCS upon conclusion of the budget hearings and recommends the adoption of this language again for fiscal 2023.

2. Overview of Correctional Reentry Services

Most offenders will eventually be released back into their communities. DPSCS released 4,600 offenders in fiscal 2021. Providing life skills, knowledge, and treatment services prior to release are shown to lower the chance that inmates will get in legal trouble in the future. Providing services while inmates are in custody and preparing the inmates for life outside of the walls prior to release is an essential component of preserving public safety and rehabilitating criminal offenders.

Reentry Programming

These services begin at intake with the identification of offender needs and a case plan for their stay. Case managers (along with programmatic staff) work with inmates in addressing their risk factors. These risk factors stand in the way of the inmate successfully reentering society and could include antisocial thinking and behavior, antisocial associates, substance use disorder, minimal educational or occupational skills, under-employment, poor family or marital support, medical or mental health concerns, or sexual offending.

Prior to release, case management and reentry staff work with inmates to identify a home plan and minimize risk factors. DPSCS reported that 96% of releases had a verified home plan and 94% received reentry services. These can include:

- Medicaid enrollment;
- 30-day supply of medication;
- identification assistance (Motor Vehicle Administration, Social Security);
- community health referral;
- behavioral health referral;
- community mental health referral;
- Supplemental Nutrition Assistance Program enrollment;
- housing assistance;
- employment and career placement services;
- financial literacy training;
- mediation services;

- applications for Social Security income/disability insurance; and

- veteran services.

Reentry Services Available to All Security Classifications – Not Solely Prerelease

Reentry services are available to all inmates who are within 120 days of their release date. Other programs and services start after intake and are available throughout an inmate's stay, serving a vital role in successful reentry. Those who are receiving these services do not need to be designated as prerelease. In fact, all returning citizens are contacted by DPSCS reentry staff to answer their questions, provide information on and connections to reentry services, and assist in the process of transition.

Prerelease Inmates

Prerelease, on the other hand, refers to the lowest-level security classification for offenders in DPSCS custody. Not all incarcerated men and women reach the security classification of prerelease before they are released. Inmates in other classifications are eligible for reentry services as long as they are within 120 days of a release date.

Offenders in the prerelease security classification may have access to the community for work release, special leave, compassionate leave, and family leave. Only inmates within three years of release and with no detainers (requests from law enforcement to hold the prisoner or to notify the agency when release of the prisoner is imminent) against them are eligible for this security level. Prerelease inmates have the most access to the community.

Minimum security inmates may also participate in work release who are within 5 years of their release date, do not have to register as a sex offender, have not escaped in the last 10 years, and have no open detainers. Minimum security inmates must have correctional staff present when released to outside details. Minimum security inmates may also be transferred to a local reentry program. Minimum or prerelease inmates who escape are automatically classified as medium security upon return to custody.

Historical Facility Closures

In 1978, the community adult rehabilitation centers (CARC) that preceded the current system were incorporated into DPSCS as the Correctional Pre-Release System. These Pre-Release Units were operated by the department until the Baltimore Pre-Release Unit closed in 2010, the Poplar Hill Pre-Release Unit closed in 2017, and the Eastern and Southern Maryland Pre-Release Units closed in 2021.

The State Pre-Release system also included the Brockbridge Correctional Facility (BCF) and DRCF, a minimum- and medium-security prison, respectively. BCF was closed in 2019 and plans to reopen the facility as a comprehensive prerelease, reentry, and work development center were put on hold due to legislation and the changing COVID-19 situation. DRCF is the only remaining facility operated by the department with a large number of minimum-security, prerelease, and low-risk offenders; but it is a medium-security prison with moderate security features, not a prerelease unit that minimizes the amount of security required to keep inmates and staff safe. The department also maintains a contract with Threshold, a CARC, for prerelease services in Baltimore City.

Gender Responsive Prerelease Services Act

The General Assembly passed legislation in 2020 and overrode an executive veto in 2021 to require the establishment of a new Women's Prerelease Center. Chapter 16 of 2021 requires that the new Women's Prerelease Center be a standalone facility and be in or adjacent to the zip codes nearest to where most female inmates are returning. There are currently 62 women (14.4%) in the prerelease classification. The ideal location under this legislation would likely be somewhere in Baltimore City. This, and the fact that the facility must be standalone, contributed to DPSCS postponing plans to create a comprehensive prerelease, reentry, and workforce development center at the site of the former BCF.

In order to advance the mission of the Gender Responsive Prerelease Services Act, DPSCS met with the Department of General Services in fall 2021 and receives a fiscal 2023 appropriation of $150,000 for planning the next stage of the project. While construction will not be completed by the time required in law to have the facility up and running (June 2024), DPSCS is on track with the typical timeline for planning, procuring, constructing, and operating such a facility. A report on this progress is required by statute and is being finalized by DPSCS.

Current Prerelease Opportunities

Although the department no longer operates a standalone prerelease center, any inmate who is classified as prerelease has the opportunity to be assigned or transferred to facilities with prerelease programs. The majority of prerelease inmates are located in minimum security prisons, including MCI-W, CMCF, Eastern Correctional Institution – Annex, Maryland Correctional Training Center, DRCF, and Baltimore City Correctional Center. The main programs dedicated to prerelease inmates are:

Work Release

- Inmates are directly employed by participating private businesses and receive a regular wage for working a regular schedule. To participate, inmates are transported daily to and from work and are required to reimburse the State for room, board, transportation, and restitution.

Community-based Outside Details/Work Crews

- Typically consist of community beautification projects or other civil improvements (*i.e*. landscaping, maintenance, sanitation, highway pick-up, *etc.*);

- The State Highway Administration, the Maryland Department of Veterans Affairs, and Department of Natural Resources are the main State agencies that utilize inmate crews.

Local Reentry Programs

- Within 12 months of release, prerelease inmates may be transferred to the local jurisdiction they are returning within Allegany, Anne Arundel, Charles, Dorchester, Howard, Kent, Montgomery, Talbot, and Washington counties. Counties are reimbursed through a $45 per diem grant. For Baltimore City inmates within six months of release, Threshold is a contractual prerelease center used by the department. Prince George's County operates an emerging adults program that provides virtual reentry services to those returning to the county while incarcerated in a DOC facility.

- Transfers have been put on hold due to COVID-19 transmission risks, but inmates may still participate in State prerelease programs and apply work release credits to their sentences.

Home Detention

- CHDU-approved inmates reside in an approved home, with an approved sponsor, and are required to wear a global positioning system monitoring anklet and comply with specific conditions set for their supervision case.

- Eligibility was expanded, cases doubled, and fees were waived due to COVID-19.

In addition to the reentry services and release opportunities presented, there are numerous and varied programs available in limitation, but are of major benefit to those participating. Examples include memoranda of understanding (MOU) with community organizations, relationships with community service providers and resources, contracts with rehabilitative organizations, and wraparound services for high-risk individuals released from DPDS.

More information can be found in three reports requested in the 2021 *Joint Chairmen's Report* (JCR), which are summarized in **Appendix 1**.

3. MCE Sales Remain Low but Are Higher Than Expenses

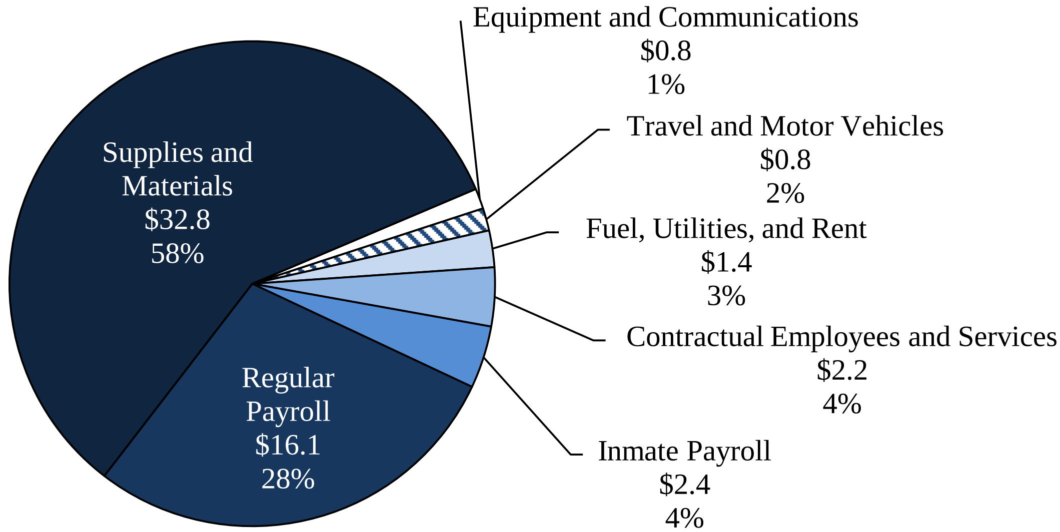
MCE is the State-use industries arm of DOC. It is a financially self-supporting agency that generates revenue for its operations and capital investments and reimburses DOC at a reasonable rate for services exchanged. MCE hires and trains inmates to perform a number of different industrial tasks, ranging from furniture building to textiles and from graphic design to mailing and distribution.

Inmate Compensation

The amount paid to each inmate ranges from $0.17 to $2.88 per hour based on industry and skill level. MCE is in the process of evaluating inmate wages and establishing a new scale in fiscal 2022. The MCE pay scale for inmates ranks in the top 11 of State correctional programs. Those participating in the Prison Industry Enhancement Certification Program (PIECP) are able to receive prevailing wages for their labor, which was raised from $11.75 in fiscal 2020 to $15.00 in 2021. Currently, eight individuals are employed in the PIECP program at the Hagerstown MCE metal shop, resulting in total compensation of $16,760 to be distributed directly to inmates, $6,676 to be distributed to room and board expenses, and $3,924 to be paid into the State's Victims Compensation Fund.

The total amount paid to inmates in fiscal 2021 was $1.4 million, while personnel expenses for officers and other MCE staff were about $13.6 million. Total expenses for MCE in fiscal 2021 were $47.2 million, including $27.3 million for supplies and materials used in manufacturing, as demonstrated in **Exhibit 16**.

Exhibit 16
MCE Spending by Type
Fiscal 2021
($ in Millions)

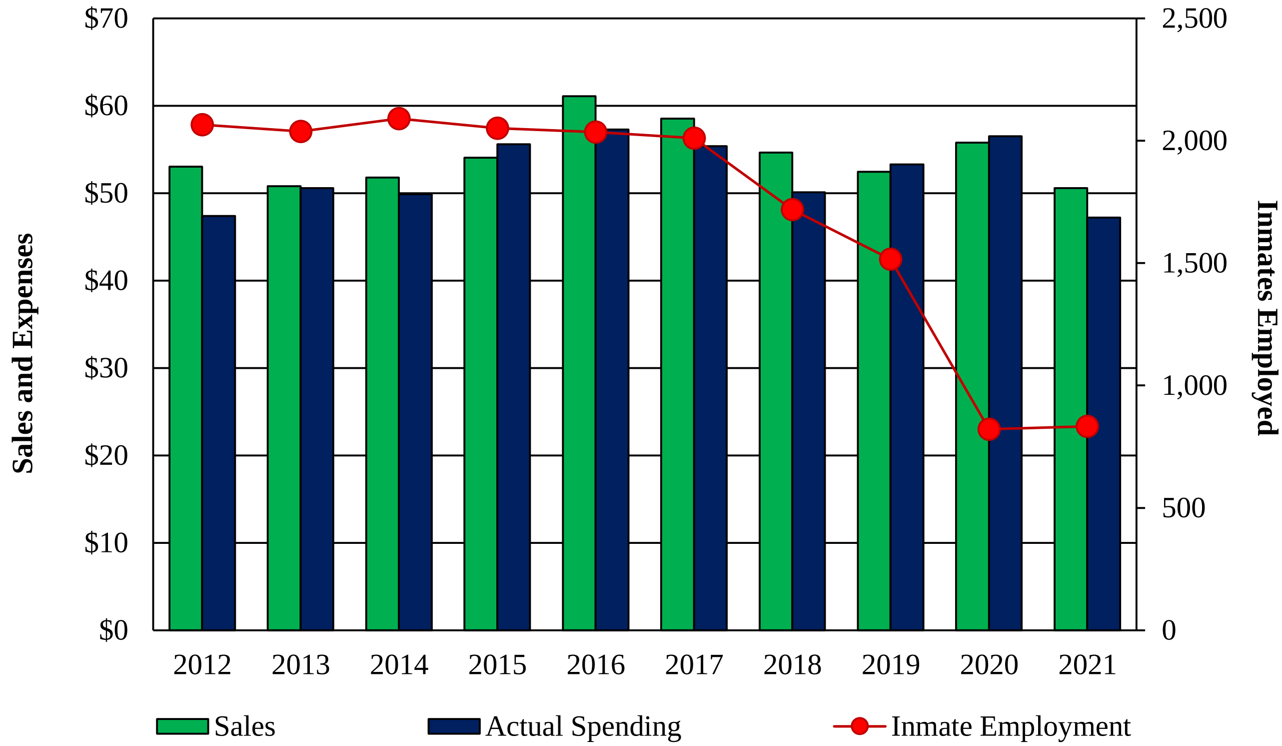


MCE: Maryland Correctional Enterprises

Source: Governor's Fiscal 2023 Budget Books

Total sales for MCE were $50.6 million in fiscal 2021, which is a 9% decrease from fiscal 2020. MCE employment numbers were already at their lowest point in over a decade in fiscal 2019 at 1,514 but declined by 46% to 821 by the end of fiscal 2020 due to COVID-19 safety precautions. Inmate employment was 833 in fiscal 2021, showing the continued effect of COVID-19 changes. These trends are concerning but, given low order volume, could be worse if expenses had not likewise declined. **Exhibit 17** shows MCE sales and expenses against inmate employment, which is measured at the end of the fiscal year.

Exhibit 17
MCE Sales, Expenses, and Employment
Fiscal 2012-2021
($ in Millions)



MCE: Maryland Correctional Enterprises

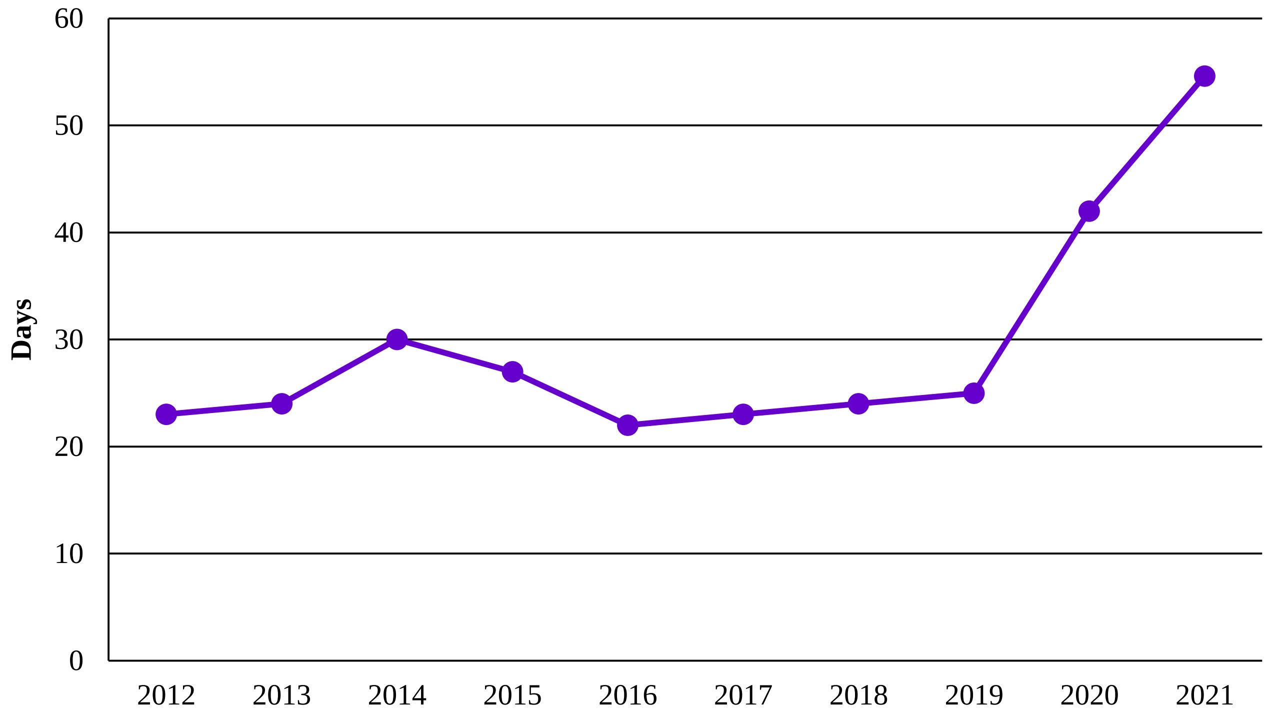
Source: Department of Public Safety and Correctional Services; Governor's Fiscal 2023 Budget Books

COVID-19 Reduced Demand and Supply Capacity

As a result of closures due to the pandemic, MCE was not able to produce goods for several customers. The timeframe needed to successfully deliver an MCE order more than doubled from fiscal 2019 to 2021, as shown in **Exhibit 18**. This inevitably led to lost sales and cancellations of MOUs, including a 13-year contract. MCE experienced a higher than normal increase of waiver requests from State agencies to bypass MCE's purchasing preference in fiscal 2021, enabling the agencies to purchase the products from other vendors as MCE was unable to provide the requested product within the given timeframe. Teleworking has also decreased the need for office furniture in

State agencies. Given that furniture sales typically account for approximately 40% of MCE revenues, the impact has been significant. Due to the reduction in the State prison population, MCE has also experienced decreased sales in inmate items such as clothing, bedding, *etc.*

Exhibit 18
Average Delivery Time Per MCE Order
Fiscal 2012-2021



MCE: Maryland Correctional Enterprises

Source: Governor's Fiscal 2023 Budget Books; Department of Public Safety and Correctional Services

MCE should comment on current efforts to reduce MCE order delivery times, increase sales, and increase inmate employment.

Operating Budget Recommended Actions

1. Add the following language to the general fund appropriation:

   , provided that $100,000 of this appropriation may not be expended until the Department of Public Safety and Correctional Services submits the second of four quarterly hiring and attrition reports to the budget committees. The reports shall include a breakdown of all hires and separations for each of the three months in question by category of employee (correctional officer, community supervision agent, or administrative employee) and by reason for separation. The report shall also include narrative summarizing all hiring events and changes to the hiring process that occurred during the quarter; the quantity, type, and cost of bonuses disbursed; as well as overall applications received, tested, and interviewed. The first quarterly report shall be submitted to the budget committees no later than October 12, 2022, and the second report shall be submitted to the budget committees no later than January 12, 2023. The budget committees shall have 45 days to review and comment following submission of the second quarterly report. Funds restricted pending the receipt of a report may not be transferred by budget amendment or otherwise to any other purpose and shall revert to the General Fund if the report is not submitted to the budget committees.

   Explanation: Hiring within the Department of Public Safety and Correctional Services (DPSCS) has improved after years of unsustainable employment decline. The quarterly reports requested in fiscal 2023 will continue the cooperation between DPSCS and the budget committees to track all departmental hiring, the success of recent initiatives, and the impact of COVID-19 on public safety staffing.

Information Request	**Author**	**Due Date**
Quarterly hiring and attrition reports	DPSCS	October 12, 2022 January 12, 2023 April 12, 2023 July 12, 2023

Appendix 1
2021 *Joint Chairmen's Report* Responses from Agency

The 2021 JCR requested that DOC prepare five reports. Electronic copies of the full JCR responses can be found on the DLS Library website.

- ***MCE Staffing, Programs, and Sales Report:*** MCE reports higher vacancy rates among staff, lower employment of inmates, and higher sales in fiscal 2020 compared to fiscal 2019. The increase in sales was lower than what could have been due to COVID-19 teleworking policy changes among State and local government as well as the shutdown of several production lines due to safety concerns. Importantly, financial supervisory positions related to inventory control and accounting remain unfilled, which poses a challenge to addressing concerns raised during the most recent legislative audit. Inmate employment was at a higher level than fiscal 2019 until the pandemic. Inmate employment in June was only 821 compared to the 2,000 employed in total during fiscal 2020. Further information regarding MCE staffing and sales can be found in Issue 3 of this analysis.

- ***DPSCS Hiring and Attrition Reports:*** DPSCS submitted the second of four quarterly reports required by the fiscal 2022 Budget Bill on January 25, 2022. These reports indicate that DPSCS hiring and attrition patterns continue in the right direction. DPSCS reported an overall gain in COs and overall employees. Further information regarding DPSCS staffing trends can be found in Issue 1 of this analysis.

- ***Report on Prerelease Opportunities:*** In response to the closure of two prerelease facilities, this report outlined the existing prerelease system, the effects of closing the prerelease facilities, and the strategy to deliver reentry services. Despite the lack of dedicated facilities to prerelease-classified individuals, there remain work release, community-based details, home detention, and therapeutic communities within facilities. Further information regarding reentry services and prerelease inmates can be found in Issue 2 of this analysis.

- ***Programs, Treatment, and Reentry Coordination Report:*** Case managers in the facilities work with the incarcerated population to develop a home plan and recommend programming to address any identified risk factors in order to ensure that the incarcerated individuals are returning to a stable environment. In fiscal 2021, 4,600 incarcerated individuals returned home, and 96% were released with a verified home plan. Further information regarding reentry services and prerelease inmates can be found in Issue 2 of this analysis.

- ***State and Local Prerelease Cooperation Report:*** Due to efforts to contain the COVID-19 pandemic, transfers to local reentry programs have ceased. Nine counties have agreements in place with DPSCS for discretionary transfers to local reentry programs. DPSCS reached out to the remaining counties to establish agreements. Further information regarding reentry services and prerelease inmates can be found in Issue 2 of this analysis.

Appendix 2
Object/Fund Difference Report
DPSCS – Corrections

Object/Fund	FY 21 Actual	FY 22 Working Appropriation	FY 23 Allowance	FY 22 - FY 23 Amount Change	Percent Change
Positions					
01 Regular	5,351.00	5,095.00	5,071.00	-24.00	-0.5%
02 Contractual	18.95	33.44	33.44	0.00	0%
Total Positions	**5,369.95**	**5,128.44**	**5,104.44**	**-24.00**	**-0.5%**
Objects					
01 Salaries and Wages	$ 538,286,124	$ 496,780,058	$ 542,156,498	$ 45,376,440	9.1%
02 Technical and Special Fees	1,030,019	1,029,985	938,853	-91,132	-8.8%
03 Communication	1,246,880	1,137,921	1,174,560	36,639	3.2%
04 Travel	29,256	95,456	99,803	4,347	4.6%
06 Fuel and Utilities	40,197,677	42,771,370	43,121,246	349,876	0.8%
07 Motor Vehicles	2,725,939	2,841,718	2,227,327	-614,391	-21.6%
08 Contractual Services	185,362,551	185,793,511	176,629,160	-9,164,351	-4.9%
09 Supplies and Materials	75,580,673	72,092,546	73,105,276	1,012,730	1.4%
10 Equipment – Replacement	3,648,243	1,040,560	11,014,810	9,974,250	958.5%
11 Equipment – Additional	232,517	21,000	145,868	124,868	594.6%
12 Grants, Subsidies, and Contributions	6,183,009	8,371,195	8,397,933	26,738	0.3%
13 Fixed Charges	1,747,712	1,724,443	1,853,526	129,083	7.5%
14 Land and Structures	2,018,804	6,342,000	7,110,000	768,000	12.1%
Total Objects	**$ 858,289,404**	**$ 820,041,763**	**$ 867,974,860**	**$ 47,933,097**	**5.8%**
Funds					
01 General Fund	$ 751,034,901	$ 756,635,510	$ 806,282,733	$ 49,647,223	6.6%
03 Special Fund	50,157,836	60,291,148	59,381,804	-909,344	-1.5%
05 Federal Fund	31,844,714	958,942	215,000	-743,942	-77.6%
09 Reimbursable Fund	25,251,953	2,156,163	2,095,323	-60,840	-2.8%
Total Funds	**$ 858,289,404**	**$ 820,041,763**	**$ 867,974,860**	**$ 47,933,097**	**5.8%**

Note: The fiscal 2022 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2023 allowance does not include contingent reductions or cost-of-living adjustments.

Appendix 3
Fiscal Summary
DPSCS – Corrections

Program/Unit	FY 21 Actual	FY 22 Wrk Approp	FY 23 Allowance	Change	FY 22 - FY 23 % Change
01 Maryland Correctional Enterprises	$ 47,243,185	$ 57,230,248	$ 56,450,804	-$ 779,444	-1.4%
01 General Administration	5,024,646	5,165,210	27,051,487	21,886,277	423.7%
01 Patuxent Institution	62,566,389	59,263,349	61,195,541	1,932,192	3.3%
01 Maryland Correctional Institution – Hagerstown	60,696,691	53,338,263	60,437,467	7,099,204	13.3%
02 Maryland Correctional Training Center	86,863,011	87,043,761	84,118,567	-2,925,194	-3.4%
03 Roxbury Correctional Institution	62,398,148	58,821,031	59,957,544	1,136,513	1.9%
04 Western Correctional Institution	74,273,431	68,812,017	71,224,854	2,412,837	3.5%
05 North Branch Correctional Institution	65,483,030	66,535,137	67,202,770	667,633	1.0%
01 Jessup Correctional Institution	103,571,909	93,409,839	99,360,161	5,950,322	6.4%
02 Maryland Correctional Institution Jessup	48,588,354	45,474,236	47,642,151	2,167,915	4.8%
03 Maryland Correctional Institution for Women	40,671,884	40,213,017	42,049,169	1,836,152	4.6%
04 Brockbridge Correctional Institution	33,296	27,137	0	-27,137	-100.0%
06 Southern Pre-release Unit	6,089,052	0	0	0	0%
07 Eastern Pre-release Unit	5,386,961	0	0	0	0%
08 Eastern Correctional Institution	123,180,801	122,524,773	130,012,319	7,487,546	6.1%
09 Dorsey Run Correctional Facility	46,610,009	44,142,844	42,740,404	-1,402,440	-3.2%
10 Central Maryland Correctional Facility	19,608,607	18,040,901	18,531,622	490,721	2.7%
Total Expenditures	**$ 858,289,404**	**$ 820,041,763**	**$ 867,974,860**	**$ 47,933,097**	**5.8%**
General Fund	$ 751,034,901	$ 756,635,510	$ 806,282,733	$ 49,647,223	6.6%
Special Fund	50,157,836	60,291,148	59,381,804	-909,344	-1.5%
Federal Fund	31,844,714	958,942	215,000	-743,942	-77.6%
Total Appropriations	**$ 833,037,451**	**$ 817,885,600**	**$ 865,879,537**	**$ 47,993,937**	**5.9%**
Reimbursable Fund	$ 25,251,953	$ 2,156,163	$ 2,095,323	-$ 60,840	-2.8%
Total Funds	**$ 858,289,404**	**$ 820,041,763**	**$ 867,974,860**	**$ 47,933,097**	**5.8%**

Note: The fiscal 2022 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2023 allowance does not include contingent reductions or cost-of-living adjustments.