

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

BUDGET COMMITTEE ON GOVERNMENT SERVICES

Tuesday and Wednesday, October 11-12, 2005

Dakota Women's Correctional and Rehabilitation Center, New England, North Dakota
Southwest Multi-County Correction Center, Dickinson, North Dakota
Roughrider Room, State Capitol
Missouri River Correctional Center, State Penitentiary, and Roughrider Industries
Bismarck, North Dakota

Representative Al Carlson, Chairman, called the meeting to order at 9:10 a.m. (MDT) at the Dakota Women's Correctional and Rehabilitation Center in New England.

Members present: Representatives Al Carlson, Randy Boehning, Ron Carlisle, Kari Conrad, Duane DeKrey, Jeff Delzer, Glen Froseth, Eliot Glassheim, Bette B. Grande, James Kerzman, Joe Kroeber, Ralph Metcalf, Darrell D. Nottestad, Dave Weiler, Alon C. Wieland; Senators Aaron Krauter, Ed Kringstad, Stanley W. Lyson, Dave Nething

Members absent: Representatives Ken Svedjan, Blair Thoreson; Senators Duaine C. Espgaard, Elroy N. Lindaas

Others present: David O'Connell, State Senator, Lansford

Rich Wardner, State Senator, Dickinson

Herb Urlacher, State Senator, Taylor

Keith Kempenich, State Representative, Bowman

Shirley Meyer, State Representative, Dickinson

David Drovdal, State Representative, Arnegard

See attached appendix for additional persons present.

It was moved by Representative Nottestad, seconded by Representative Froseth, and carried on a voice vote that the minutes of the September 21-22, 2005, meeting be approved as distributed.

DAKOTA WOMEN'S CORRECTIONAL AND REHABILITATION CENTER

At the request of Chairman Carlson, Mr. Colby Braun, Operations Administrator, Dakota Women's Correctional and Rehabilitation Center, presented information regarding housing state female inmates at the Dakota Women's Correctional and Rehabilitation Center in New England, including population and capacity statistics, the status of the construction of maximum security cells, per diem rates, and information on the treatment and education programs available to the inmates. A copy of the information presented is on file in the Legislative Council office. Mr. Braun said the Southwest Multi-County Correction Center was established in 1982 and is owned and

operated by six counties--Stark, Dunn, Slope, Bowman, Hettinger, and Billings. He said the Southwest Multi-County Correction Center Board is comprised of six county commissioners representing their respective county. He said the Dakota Women's Correctional and Rehabilitation Center, which was established in 2003, is one of three divisions of the Southwest Multi-County Correction Center. He said the other two divisions--the Dakota Horizon Youth Center and the Dickinson Adult Detention Center--are located in Dickinson.

Mr. Braun said the construction of the administrative segregation and detention cells has begun and the bids total \$563,400. He said the anticipated completion date for the construction is April 2006; however, the project is already a little behind schedule due to a cement shortage and weather conditions. He said the Dakota Women's Correctional and Rehabilitation Center can use the Dickinson facility to house inmates that need to be segregated from the general population until the construction of the administrative segregation and detention cells is completed.

Mr. Braun said approximately \$875,000 has been spent on capital improvements and renovations at the Dakota Women's Correctional and Rehabilitation Center since it was established. He said Phase I of the orientation dorm has been completed which consisted of renovating a dorm into a 16-bed unit for new arrivals to the center. He said inmates will be housed in this new orientation dorm for up to 28 days. He said Phase II has begun, which includes the construction of a bathroom for the new orientation unit and a control center for Horizon Hall, and has an estimated cost of \$100,000.

Mr. Braun said as of October 11, 2005, the capacity at the Dakota Women's Correctional and Rehabilitation Center is 126 beds--70 minimum security beds in Haven Hall and 40 higher security beds and 16 orientation beds in Horizon Hall. He said the average inmate population for September 2005 was 111 inmates and from January through September 2005 there were 145 new inmate arrivals and 129 inmate releases. He said the per diem rates in

the 2003-05 biennium housing contract with the Department of Corrections and Rehabilitation were \$62.23 for general housing, \$15.50 for medical, \$12 for treatment, and \$12 for orientation. He said the housing contract for the 2005-07 biennium continues to be negotiated with the Department of Corrections and Rehabilitation and the 2003-05 contract was extended on July 1, 2005, with the per diem rate increased to \$94.28.

In response to a question from Representative Carlson, Mr. Braun said the inmate housing contract the Dakota Women's Correctional and Rehabilitation Center has with the Department of Corrections and Rehabilitation exceeds 40 pages in length and they are working together to try and reduce the size of the contract. He said he anticipates the 2005-07 biennium contract will be signed in the near future and then the new per diem rate included in the contract will be applied back to July 1, 2005.

Representative Carlson said it is very important to the committee that the Dakota Women's Correctional

and Rehabilitation Center and the Department of Corrections and Rehabilitation sign the 2005-07 biennium inmate housing contract as soon as possible.

Mr. Braun said the Dakota Women's Correctional and Rehabilitation Center has interactive television capabilities as the result of a grant from the Rural Economic Area Partnership. He said the interactive television system allows the center to access training through the North Dakota State Penitentiary, allows inmates to communicate with the Department of Corrections and Rehabilitation Field Services staff during orientation classes, and allows the classification committee to meet to determine the custody level of new arrivals. He said the center is also able to conduct Parole Board hearings by utilizing the interactive television system.

Mr. Braun said therapeutic, education, and religious programming for the inmates at the Dakota Women's Correctional and Rehabilitation Center include:

Therapeutic Programming	Education Programming	Religious Programming
Cares and concerns	General educational development (GED)	Meditation
Primary addiction group	Parenting	Baptism and confirmation classes
Family therapy sessions "knee-to-knee communication"	Welding	Grief counseling
Cognitive restructuring	Computers	Native American ceremonies
Healthy relationships "codependency" group	Prerelease	Muslim and Wicca practices
Recovery and healing "women's mental health" group	Creative writing	Houses of healing
Women's empowerment "survivors of violence" group	College correspondence	Bible study
Anger management group	Refresher courses	Catholic and Protestant worship services
Treatment plan review		"Mom's in touch" prayer group
Lecture		
Self-help meetings		
Medicine wheel program		
Houses of healing "trauma and loss" group		
Aftercare		
Sex offender counseling		

Mr. Braun said Prairie Industries is the prison industries program at the Dakota Women's Correctional and Rehabilitation Center. He said Prairie Industries is a member of the National Correctional Industries Association (NCIA) which provides annual training for the industry staff. He said Prairie Industries includes a sewing program which provides the inmates with an opportunity to produce tee shirts, two-piece uniforms, coveralls, robes, medical gowns, chiropractic gowns, dignity napkins, uniform pants, and rain suits and also offers an assembly program in which inmates have the opportunity to assemble locks, electrical boxes and panels, reflector poles, warning signs, and depth chains. He said as of October 11, 2005, Prairie Industries employs seven full-time inmates and has openings on a regular basis.

In response to a question from Representative Conrad, Mr. Braun said the average sentence length

for the female inmates at the Dakota Women's Correctional and Rehabilitation Center is five years and he will provide information regarding the actual average length of time the female inmates are housed at the center.

In response to a question from Representative Nottestad, Mr. Braun said the only time the minimum security and medium security inmates are together is during visitation; however, he said, they also have to use the same bathroom area during orientation.

Representative Delzer requested the Dakota Women's Correctional and Rehabilitation Center provide the committee with the amount of medical expenses the center has incurred since it began housing the state female inmates in November 2003 and he also requested the Department of Corrections and Rehabilitation provide the committee with the amount of the medical expenses it had for the female

inmates for fiscal year 2000 through the time when the inmates were transferred to the Dakota Women's Correctional and Rehabilitation Center.

Senator Krauter requested that when the Department of Corrections and Rehabilitation provides the information on medical costs of the female inmates that it also identify the amount of the medical costs related to treating problems caused by methamphetamine use.

In response to questions from Senator Krauter, Mr. Braun said the Southwest Multi-County Correction Center did not provide any employee raises for three years but did provide a 3 percent pay increase during 2005. However, he said, the starting salary for correctional officers did not increase along with the 3 percent pay increase; it is still at \$2,156 per month. He said although the starting salary is no longer competitive with other county facilities, the Dakota Women's Correctional and Rehabilitation Center has had very little employee turnover.

DEPARTMENT OF CORRECTIONS AND REHABILITATION

At the request of Chairman Carlson, Mr. Dave Krabbenhoft, Director of Fiscal Affairs, Department of Corrections and Rehabilitation, presented information regarding inmate populations by location and inmate population projections through fiscal year 2017. A copy of the information presented is on file in the Legislative Council office. Mr. Krabbenhoft said the

actual average inmate population for September 2005 was 155 female inmates and 1,231 male inmates. He said for the first three months of the 2005-07 biennium, the actual average female inmate population was 18 inmates more than estimated and the actual average male inmate population was 16 inmates less than estimated.

Mr. Krabbenhoft said pursuant to the request of the committee he prepared inmate population projections for each fiscal year through 2017, including the number of additional beds that will be needed for each custody level. He said he prepared three different projections for both male and female inmates based on the following assumptions:

1. Current annual growth rates - 17.1 percent for female inmates and 5.9 percent for male inmates.
2. Inmate growth based on a set number of inmates per year - Increase of 20 female inmates per year and increase of 63 male inmates per year.
3. Annual growth rates projected by the Security Response Technologies (SRT), Inc., study conducted during the 2001-02 interim - 5.3 percent for female inmates and 2.7 percent for male inmates.

Mr. Krabbenhoft said the results of the three population projections prepared by the Department of Corrections and Rehabilitation are:

CURRENT ANNUAL GROWTH RATE											
Fiscal Year	Female Inmates Current Annual Growth Rate = 17.1%					Male Inmates Current Annual Growth Rate = 5.9%					
	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level			Total Additional Beds Needed	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level				Total Additional Beds Needed
		Medium and Maximum	Minimum	Treatment and Transition Beds			Maximum	Medium	Minimum	Treatment and Transition Beds	
2006	151				0	1,260	39	27	11	13	90
2007	171	1	1	1	3	1,334	12	9	3	4	28
2008	201	9	14	8	31	1,413	40	28	11	14	93
2009	235	19	30	17	66	1,496	73	52	21	25	171
2010	275	30	47	27	104	1,584	108	76	31	37	252
2011	322	43	68	39	150	1,677	145	103	41	50	339
2012	377	59	93	53	205	1,776	184	131	53	63	431
2013	442	77	122	70	269	1,880	226	160	65	78	529
2014	518	98	155	89	342	1,990	270	191	77	93	631
2015	606	123	195	112	430	2,107	316	224	90	109	739
2016	710	152	241	138	531	2,231	366	259	105	125	855
2017	831	186	295	169	650	2,362	418	296	119	143	976

INMATE GROWTH RATE BASED ON A SET NUMBER OF INMATES											
Fiscal Year	Female Inmate Growth Rate Estimated at 20 Inmates Per Year					Male Inmate Growth Rate Estimated at 63 Inmates Per Year					
	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level			Total Additional Beds Needed	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level				Total Additional Beds Needed
		Medium and Maximum	Minimum	Treatment and Transition Beds			Maximum	Medium	Minimum	Treatment and Transition Beds	
2006	157				0	1,255	37	26	10	13	86
2007	177	2	4	2	8	1,321	7	5	2	2	16
2008	197	8	13	7	28	1,384	28	20	8	10	66
2009	217	14	22	12	48	1,447	53	38	15	18	124
2010	237	19	31	18	68	1,509	78	55	22	27	182
2011	258	25	40	23	88	1,572	103	73	29	35	240
2012	278	31	49	28	108	1,634	128	90	37	44	299
2013	298	36	58	33	127	1,697	153	108	44	52	357
2014	319	42	67	38	147	1,759	178	126	51	61	416
2015	339	48	76	43	167	1,822	202	143	58	69	472

INMATE GROWTH RATE BASED ON A SET NUMBER OF INMATES											
Fiscal Year	Female Inmate Growth Rate Estimated at 20 Inmates Per Year					Male Inmate Growth Rate Estimated at 63 Inmates Per Year					
	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level			Total Additional Beds Needed	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level				Total Additional Beds Needed
		Medium and Maximum	Minimum	Treatment and Transition Beds			Maximum	Medium	Minimum	Treatment and Transition Beds	
2016	359	54	85	49	188	1,885	227	161	65	78	531
2017	379	59	94	54	207	1,947	252	179	72	87	590

SECURITY RESPONSE TECHNOLOGIES, INC., ANNUAL GROWTH RATE											
Fiscal Year	Female Inmate SRT Annual Growth Rate = 5.3%					Male Inmate SRT Annual Growth Rate = 2.7%					
	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level			Total Additional Beds Needed	Gross Inmate Estimated Population	Estimated Additional Beds Needed by Custody Level				Total Additional Beds Needed
		Medium and Maximum	Minimum	Treatment and Transition Beds			Maximum	Medium	Minimum	Treatment and Transition Beds	
2006	145				0	1,248	34	24	10	12	80
2007	147				0	1,284					0
2008	155				0	1,319	2	1	0	1	4
2009	163				0	1,354	16	11	4	5	36
2010	172	1	1	1	3	1,391	30	21	9	10	70
2011	181	3	6	3	12	1,428	45	32	13	15	105
2012	190	6	10	6	22	1,467	60	43	17	21	141
2013	200	9	14	8	31	1,507	76	54	22	26	178
2014	211	12	19	11	42	1,547	92	65	26	32	215
2015	222	15	24	14	53	1,589	109	77	31	37	254
2016	234	18	29	17	64	1,632	126	89	36	43	294
2017	246	22	35	20	77	1,676	143	102	41	49	335

At the request of Chairman Carlson, Ms. Leann K. Bertsch, Director of Corrections, Department of Corrections and Rehabilitation, distributed written comments regarding the department's performance audit recommendations. A copy of the information distributed is on file in the Legislative Council office. Ms. Bertsch said the six major areas addressed in the performance audit were:

1. Overcrowding.
2. Female inmate facility.
3. Department of Corrections and Rehabilitation medical service delivery.
4. Daily rates and departmental improvements.
5. Management and administrative structure.
6. Treatment programs.

Ms. Bertsch said the Department of Corrections and Rehabilitation has made a great effort to implement the recommendations; however, the lack of resources and funding has prohibited implementation of some of the primary recommendations.

Representative Carlson requested the Department of Corrections and Rehabilitation provide information to the committee regarding the resources and funding that would be necessary for the department to be able to implement the audit recommendations.

At the request of Chairman Carlson, Mr. Patrick W. Foley, Director, Research and Program Evaluation, Department of Corrections and Rehabilitation, presented information regarding recidivism rates and the number of inmates sentenced to the Department of Corrections and Rehabilitation with less than one year remaining in their sentence. A copy of the information presented is on file in the Legislative Council office. Mr. Foley said the recidivism rates for female and male inmates and the combined recidivism rates are:

RECIDIVISM RATES			
Year	Female Inmates Only	Male Inmates Only	Both Female and Male Inmates Combined
1996	6.7%	20.0%	19.2%
1997	11.1%	22.4%	21.4%
1998	6.3%	18.8%	17.5%
1999	13.0%	23.8%	22.6%
2000	10.6%	26.9%	25.1%
2001	17.0%	24.7%	24.1%

Mr. Foley said for calendar year 2004, there were a total of 991 prison admissions. He said that 393 of the 991 total admissions had less than 365 days until their release date when they were admitted. He said of the 393 inmates admitted with less than one year to serve in their sentence, 68 were parole violators, 1 was a federal inmate, and 324 admissions were the result of cases from the state courts. He said of the 324 admissions resulting from state court cases, 67 admissions were for misdemeanor offenses and 257 were for felony offenses.

COMMENTS BY LOCAL GOVERNMENT OFFICIALS

Chairman Carlson called on Mr. Duane Wolf, Stark County Commissioner and Chairman of the Southwest Multi-County Correction Center Board, to comment on the committee's study of the Department of Corrections and Rehabilitation incarceration and correctional facility needs. Mr. Wolf said the Southwest Multi-County Correction Center Board is strongly committed to make the arrangement between the Department of Corrections and Rehabilitation and the Dakota Women's Correctional and Rehabilitation Center to house state female inmates a success. He said the board becomes nervous when it hears discussion about the state building a new

all-encompassing prison to house both male and female inmates because that would mean the end of the Dakota Women's Correctional and Rehabilitation Center. He said the board has a strong desire to work out an agreement with the Department of Corrections and Rehabilitation to continue to house state female inmates.

Representative Carlson said the purpose of the committee's visit to the Dakota Women's Correctional and Rehabilitation Center is to view the facility and not to judge the facility as good or bad or to close the facility.

In response to a comment from Representative Carlson, Mr. Wolf said it is also a goal of the Southwest Multi-County Correction Center Board to sign the 2005-07 biennium contract with the Department of Corrections and Rehabilitation to house state female inmates as soon as possible.

In response to a question from Senator Krauter, Mr. Krabbenhoft said the reason the 2005-07 biennium female inmate housing contract with the Dakota Women's Correctional and Rehabilitation Center is not yet signed is not due to disagreements relating to financial issues. He said the department and the center are taking their time in reviewing the terms of the contract and he believes the new housing contract will be signed by the end of October 2005.

Chairman Carlson called on Mr. Noel Lunde, Superintendent, New England Public School, to comment regarding education and training programs at the Dakota Women's Correctional and Rehabilitation Center. Mr. Lunde said the New England Public School and the Dakota Women's Correctional and Rehabilitation Center work together to share staff and resources for programs when possible. He said the school offers a welding class and electrical classes to some inmates at the center and other classes are being considered as future possibilities. He said the school employed some inmates on a part-time basis during the summer to help out in numerous areas and it worked well. He said the school and the Dakota Women's Correctional and Rehabilitation Center are exploring the possibility of opening a fitness and wellness center that could be used by individuals from the school, the community, and the center. He said the school and the center will continue to explore other opportunities for future partnerships.

DAKOTA WOMEN'S CORRECTIONAL AND REHABILITATION CENTER TOUR

The committee toured the Dakota Women's Correctional and Rehabilitation Center, including Horizon Hall, which is the administration building and houses medium security inmates, and Haven Hall, which houses minimum security inmates.

Following a luncheon provided for committee members at the Dakota Women's Correctional and Rehabilitation Center, the committee recessed and traveled to the Southwest Multi-County Correction Center in Dickinson.

SOUTHWEST MULTI-COUNTY CORRECTION CENTER

The committee reconvened at 1:15 p.m. (MDT) at the Southwest Multi-County Correction Center in Dickinson.

At the request of Chairman Carlson, Mr. Ken Rooks, Operations Administrator, Southwest Multi-County Correction Center, presented information regarding the Southwest Multi-County Correction Center facility in Dickinson. A copy of the information presented is on file in the Legislative Council office. Mr. Rooks said the Southwest Multi-County Correction Center was established in 1982 and is owned and operated by six counties--Billings, Bowman, Dunn, Hettinger, Slope, and Stark Counties. He said the Southwest Multi-County Correction Center in Dickinson consists of the Dakota Horizons Youth Center and the Dickinson Adult Detention Center.

Mr. Rooks said the Dakota Horizons Youth Center was established in 1984 and has a capacity of 32 beds. He said the average billed prisoner days for the youth center is 21 which consists of 88 percent from the Federal Bureau of Prisons and the remaining 12 percent from the Bureau of Indian Affairs and others. He said the per diem rates are Federal Bureau of Prisons - \$158; Bureau of Indian Affairs - \$158; and state juveniles - \$100. He said the center received certification for state juveniles on May 4, 2005, which allows the center to house state juveniles for up to 96 hours. He said the activities, programming, and treatment available at the Dakota Horizons Youth Center includes:

- Mental health treatment.
- Psychological/psychiatric/multidisciplinary evaluation and care.
- Family programming.
- Substance abuse.
- Sex offender treatment.
- Equine-assisted psychotherapy services.
- Vocational training.
- Education.
- Prerelease program.
- Honored housing.
- Open recreation.
- Cultural activities.
- Spiritual life.
- Support groups.
- Case management.

Mr. Rooks said the Dickinson Adult Detention Center has a capacity of 64 beds and the average billed prisoner days is 42. He said Stark County has approximately 54 percent of the billed prisoner days, the state has approximately 31 percent of the billed prisoner days, and approximately 15 percent is for others, including Adams and Golden Valley Counties, and the United States Marshal Service and Border Patrol. He said the per diem rate for the six owner counties is \$45 and the per diem rate for all others, including the state, is \$50. He said the programs and

services available at the Dickinson Adult Detention Center include:

- Educational services (general educational development (GED), high school assistance, and college correspondence).
- Counseling services.
- Medical services.
- Work release program.
- Kitchen trusty program.
- In-house church services and Bible study.
- Alcoholics Anonymous.

In response to a question from Representative Froseth, Mr. Rooks said the Dickinson Adult Detention Center can house state prisoners of all custody levels.

Representative Carlson requested the Department of Corrections and Rehabilitation provide information to the committee at its next meeting regarding the process used by the department to determine where a prisoner is housed.

The committee toured the Southwest Multi-County Correction Center, including the Dakota Horizons Youth Center and the Adult Detention Center.

The committee recessed at 2:25 p.m. (MDT).

COMMENTS BY LOCAL GOVERNMENT OFFICIALS

The committee reconvened at 9:00 a.m. on Wednesday, October 12, 2005, in the Roughrider Room, State Capitol, Bismarck.

At the request of Chairman Carlson, Mr. Doug Schonert, Burleigh County Commissioner, commented on the committee's study of the Department of Corrections and Rehabilitation incarceration and correctional facility needs. Mr. Schonert said Burleigh, Morton, McLean and other interested counties are discussing the possibility of building a new regional jail facility. He said some things he would like for the committee to keep in mind while it is conducting the study of the state's incarceration and correctional facility needs is the possibility of the state

and the counties sharing a prison facility or sharing services between the state prison facility and a county or regional facility, such as food services and maintenance. He said another possibility to explore is if the state builds a new all-encompassing prison, maybe the county would be interested in utilizing part of the existing State Penitentiary as a regional jail facility. He said he would like for the committee to include the Burleigh County Commission in its discussions regarding the state's incarceration and correctional facility needs and to keep the commission informed of its decisions.

Representative Delzer requested the Legislative Council staff conduct research to identify any laws that may preclude the state from forming an arrangement with a county or regional jail facility for housing state prisoners or sharing services.

DEPARTMENT OF CORRECTIONS AND REHABILITATION DEBT SERVICE

At the request of Chairman Carlson, the Legislative Council staff presented a memorandum entitled *Department of Corrections and Rehabilitation Debt Service*. The Legislative Council staff said the Department of Corrections and Rehabilitation has bonds outstanding for capital construction projects at the State Penitentiary, the James River Correctional Center, and the Youth Correctional Center and for an energy improvement project at the Missouri River Correctional Center. Each biennium, funds are appropriated to the Department of Corrections and Rehabilitation for the bond payments. For the 2005-07 biennium, \$540,052 was appropriated from the general fund to the Youth Correctional Center and \$2,498,534 was appropriated from the general fund to the Prisons Division for the bond payments.

The Legislative Council staff said a schedule of the bonds outstanding for the Department of Corrections and Rehabilitation capital projects is:

Facility/Project	Year Approved by Legislative Assembly	Bond Issue (Payoff Year)	Outstanding Debt Service Balance June 30, 2007
State Penitentiary Phase II construction - Female housing unit and south unit (\$7,500,000)	1985	1998 Series B North Dakota Building Authority refunding revenue bonds (4.5% to 5% 13-year bonds) - Used to refinance 1991 Series A and 1992 Series A - The 1991 Series A issue was used to refund the 1986 Series A (2011)	\$1,975,524
Phase III construction - Education building, food service building, and programs building (\$5,000,000)	1989	2003 Series A North Dakota Building Authority refunding revenue bonds (2.35% to 4.07% 7-year bonds) - Used to refund 1993 Series A refunding revenue bonds which were used to refinance 1990 Series A, B, and C (2009)	1,002,963
James River Correctional Center Phase II - Food service/laundry renovations (\$2,662,890)	2003	2003 Series B North Dakota Building Authority revenue bonds (4.09% 20-year bonds) (2023)	3,494,256
ET building improvements (\$980,000); programs building improvements (\$584,000)	2005	2005 Series A North Dakota Building Authority revenue bonds (4.21% 20-year bonds) (2025)	2,548,393

Facility/Project	Year Approved by Legislative Assembly	Bond Issue (Payoff Year)	Outstanding Debt Service Balance June 30, 2007
Missouri River Correctional Center Energy improvement project (\$105,326)	2003	2003 Series B North Dakota Building Authority revenue bonds (4.09% 20-year bonds) (2023)	138,783
Youth Correctional Center Gymnasium renovation (\$1,400,000)	1997	1998 Series A North Dakota Building Authority revenue bonds (4.4% to 5.125% 20-year bonds) (2018)	1,430,091
Pine Cottage (\$1,475,000)	1999	2000 Series A North Dakota Building Authority revenue bonds (5.5% 20-year bonds) (2019)	1,777,239
Total debt service balance outstanding as of June 30, 2007			\$12,367,249

Senator Krauter requested the Legislative Council staff to provide the committee with a bond payment schedule for the Department of Corrections and Rehabilitation that shows the amount of debt service to be paid for each biennium until the bonds are paid in full.

In response to a request from Representative Carlisle, Chairman Carlson said the committee will also receive a presentation from Ms. Karlene Fine, Secretary, Industrial Commission, regarding the status of the state's bonding and the general fund debt service limit at its next meeting.

OTHER COMMITTEE BUSINESS

Chairman Carlson called on Senator Lyson to comment on the process of sentencing an offender to a county jail versus sentencing an offender to the Department of Corrections and Rehabilitation. Senator Lyson said since there are fewer judges to hear cases due to the unification of the court system, it can take up to several months for an offender's case to go to court. He said a judge can sentence an offender to the county jail or to the Department of Corrections and Rehabilitation. He said an example of how the Department of Corrections and Rehabilitation receives a prisoner from a county jail with less than one year to serve in the sentence is if a judge sentences an offender to the Department of Corrections and Rehabilitation for 18 months and gives the offender credit for time served in the county jail, and the offender has already served 7 months in a county jail, then the Department of Corrections and Rehabilitation will receive that offender when the offender has less than one year left to serve in the sentence. Senator Lyson said the county jails have treatment, education, religious, and work release programs available to the inmates and are not just "warehouses" for inmates.

In response to a question from Representative Kerzman, Senator Lyson said the state contracts with county jails for a rate of \$45 per inmate per day and the county is responsible to pay for up to \$150 per inmate per month for medical expenses.

Representative Carlson requested the Department of Corrections and Rehabilitation to provide the

committee with a copy of its housing contract with county jails.

Representative Carlson requested the Legislative Council staff to provide the committee with the statutes that are in place relating to housing state prisoners, including the types of facilities that can house state prisoners, the length of time a county facility can house state prisoners, and the services and programs that need to be provided to state inmates.

In response to a comment from Representative Conrad, Representative Kroeber said the Commission on Alternatives to Incarceration has members from the legislative branch as well as from the judicial branch and county and local governments and the commission's responsibility is to study sentencing alternatives, mandatory sentencing, treatment options, the expanded use of problem-solving courts, home monitoring, and other related issues that are also important to the Budget Committee on Government Services study of the Department of Corrections and Rehabilitation incarceration and correctional facility needs.

Representative Carlson said he believes it is important to have a representative of the Commission on Alternatives to Incarceration report to the committee periodically throughout the interim because the responsibilities of the committee and the commission are closely related.

Senator Krauter suggested Representative Kroeber, Chairman, Commission on Alternatives to Incarceration, include the use of transition centers in the commission's study. Senator Krauter requested the Budget Committee on Government Services tour the Bismarck Transition Center at a future meeting.

Representative Delzer requested the committee receive information from the judicial branch regarding the number of individuals that are released from county jails on bond and the number of individuals that remain incarcerated until their trial and whether these statistics have changed since the unification of the court system in 1991.

BUDGET TOURS

Missouri River Correctional Center

The committee traveled to the Missouri River Correctional Center for a budget tour and

presentation. At the request of Chairman Carlson, Mr. Keith Grabowska, Director, Missouri River Correctional Center, presented information regarding the Missouri River Correctional Center. A copy of the information presented is on file in the Legislative Council office. Mr. Grabowska said the mission of the Missouri River Correctional Center is to provide a safe and healthy environment for minimum security inmates to apply themselves to the task of rehabilitation. He said this is accomplished by maintaining proper custody, work, education, and treatment programs and encouraging residents to make the needed changes to be law-abiding and successful in society.

Mr. Grabowska said the Missouri River Correctional Center originated in 1941 as the North Dakota State Prison Farm. He said the center houses inmates with appropriate security classification with two years or less remaining in their sentences. He said from January through August 2005, the center received 269 inmates and discharged 198 inmates. He said the center maintains a steady population of 151 male inmates. He said the need for medium security beds has become a priority while minimum security beds are requiring creative classification practices to fill. He said the classification scale at the Missouri River Correctional Center has been raised to accommodate more viable inmates and with this comes more risk, a more dangerous population, and the need for more security staff. He said the staff has handled this change by increasing basic security procedures, such as formal and informal inmate counts, increased property and body searches, added more outside perimeter checks, added alarms on all perimeter doors, and an increased use of urinalysis and breathalyzer tests.

Mr. Grabowska said treatment, education, and work programs available to the inmates at the Missouri River Correctional Center include:

- Intensive outpatient - Adult (2.1) chemical addiction treatment.
- Rapid intervention program (RIP).
- General educational development (GED).
- Tutoring.
- Computer skills.
- Auto mechanics.
- Manpower work programs.
- Work and education release.
- Pheasant project.
- Toys for Tots.
- Roughrider Industries.

Mr. Grabowska said plant improvement needs for the 2007-09 biennium include a 12,883 square foot kitchen/multipurpose building that would replace the current kitchen. He said the cost of the new kitchen/multipurpose building is approximately \$2.6 million and an additional \$18,000 would be needed for demolition of the old kitchen. He said the gravel road leading into the facility is in dire need of repair and surfacing, with an estimated cost of

\$150,000. He said the center is requesting \$25,000 to purchase heat pumps that are part of the geothermal heating system.

Mr. Grabowska said the Missouri River Correctional Center is also requesting four additional staff. He said two positions would be placed on the night shift--one assigned to the kitchen and one for maintenance.

Chairman Carlson called on Mr. Joseph J. Ibach, Dakota Appraisal and Consulting, Ltd., to comment on the land appraisal for the Missouri River Correctional Center that was completed in February 2005. Mr. Ibach said the Department of Corrections and Rehabilitation owns approximately 985 acres at the Missouri River Correctional Center. He said that approximately 200 acres is wetlands and floodway, which results in approximately 785 net usable acres. He said the market value of the land as is, or without a riverbank stabilization easement, is \$10,000 per acre for 785 net usable acres, for a total of \$7.85 million. He said the market value of the land with the permanent riverbank stabilization easement is \$2,500 per acre for 727.5 net usable acres, for a total of approximately \$1.82 million.

Representative Carlson requested the Department of Corrections and Rehabilitation to provide information to the committee regarding the number of acres of the 985 acres the department owns at the Missouri River Correctional Center that would be necessary to retain for the basic operation of the center.

The committee conducted a budget tour of the Missouri River Correctional Center.

State Penitentiary

Following a committee luncheon provided by the Missouri River Correctional Center, the committee traveled to the State Penitentiary.

At the request of Chairman Carlson, Mr. Tim Schuetzle, Director, Prisons Division, Department of Corrections and Rehabilitation, presented information regarding the State Penitentiary. A copy of the information presented is on file in the Legislative Council office. Mr. Schuetzle said as of October 2005 there are three indicators that the 2005-07 biennium budget may be short. He said those indicators are that there are 10 more inmates than projected, there is an increase in the number of inmates with Hepatitis C and inmates are requiring more psychotropic medications than anticipated, and the utility costs are higher than projected.

Mr. Schuetzle said there are no capital improvements scheduled for the State Penitentiary during the 2005-07 biennium. He said areas that will need to be addressed for the 2007-09 biennium include the need for additional inmate bed space, physical plant improvements of the east cellhouse, the infirmary, and the administrative segregation unit. He said the architect's study from the 2003-05 biennium that recommended a \$30 million project to replace the east cellhouse would also increase the number of inmate beds and address the needs of the infirmary and

administrative segregation unit. He said other plant improvement needs include the construction of an entry gatehouse and communications center (\$1.6 million), a new parking lot (\$448,000), duct cleaning (\$435,000), and structural improvements to the warden's residence (\$130,000).

Mr. Schuetzle said a great concern for the Department of Corrections and Rehabilitation is the lack of budgeted funds for extraordinary repairs. He said the Security Response Technologies, Inc., study conducted during the 2001-02 interim recommended that the Legislative Assembly needed to increase the Prisons Division appropriation for maintenance and extraordinary repairs to approximately \$2.8 million each biennium. However, he said, the 2003-05 biennium appropriation for extraordinary repairs was \$350,000 and the 2005-07 biennium appropriation is \$500,000. He said that as of October 12, 2005, the Prisons Division had \$151,000 in unanticipated repair expenses for the 2005-07 biennium, including the increase in the cost to repair the elevator at the James River Correctional Center from \$50,000 to \$100,000, the need to repair the emergency power generator at the State Penitentiary for \$50,000, the need to remodel the administrative segregation unit and new bed space for the overflow unit at \$38,000, and the need to repair the dishwasher for \$13,000.

Mr. Schuetzle said that although it is too early in the biennium to determine changes that will need to be made to programs, staffing, and the physical plant in the 2007-09 biennium, staff salaries will be an issue for the Department of Corrections and Rehabilitation again in the 2007-09 biennium.

Roughrider Industries

At the request of Chairman Carlson, Mr. Dennis Fracassi, Director, Roughrider Industries, presented information regarding Roughrider Industries. A copy of the information presented is on file in the Legislative Council office. Mr. Fracassi said the mission of Roughrider Industries is to employ inmates to produce quality goods and services in a self-sustaining manner that makes the time of incarceration productive, while preparing the inmate worker to successfully reintegrate back into society.

Mr. Fracassi said the 2005-07 biennium appropriation for Roughrider Industries is approximately \$11.57 million from special funds and that approximately \$819,000 has been used through August 31, 2005, which results in approximately \$10.75 million remaining for the biennium.

Mr. Fracassi said Roughrider Industries is constructing a new building for its program at the Missouri River Correctional Center which is welding farm products for Stur-D Products Company of Carson. He said Roughrider Industries is responsible for the building and construction costs and Stur-D Products Company will oversee the erection of the building and supply all equipment, raw materials, and the marketing of the products. He said the Roughrider Industries program at the James River

Correctional Center had an operating loss of \$234,000 in fiscal year 2005 due to high inmate turnover, customer reduction of high-volume repetitive work, and a loss of customer business. He said Roughrider Industries plans to move the upholstery shop from Bismarck to Jamestown to provide steady repetitive work and stabilize revenue. He said the furniture shop in Bismarck would then move its machinery and materials, which are currently stored in the metal shops, to the upholstery shop and the metal sign and license plate shops will utilize the space vacated from the transfer of furniture machinery and materials. He said Roughrider Industries will continue to work with the Motor Vehicle Division of the Department of Transportation to prepare for a potential general issue of license plates for fiscal year 2008.

Mr. Fracassi said Roughrider Industries needs to expand its administrative offices, showroom, and warehouse space and any capital improvements for the 2007-09 biennium are not expected to exceed \$300,000. He said as the prison population continues to grow, the need for Roughrider Industries also grows because it helps inmates learn job skills and work ethic.

Senator Nothing said he believes the committee should have the chairman of the Parole Board report to the committee at a future meeting regarding the practices and trends of the Parole Board and the effects it has on the Department of Corrections and Rehabilitation.

The committee conducted tours of the State Penitentiary, including the east cell house, administrative segregation unit, orientation unit, overflow unit and infirmary, and Roughrider Industries, including the metal sign and license plate shops, the furniture shop, and the upholstery shop.

COMMITTEE DISCUSSION AND STAFF DIRECTIVES

Chairman Carlson said the next meeting of the Budget Committee on Government Services will be on Wednesday, November 30, 2005, in Bismarck. He said the committee will plan to tour the Youth Correctional Center and Teen Challenge in Mandan and the Bismarck Transition Center as well as receive reports from the judicial branch and the Office of Management and Budget.

The committee adjourned subject to the call of the chair at 2:30 p.m.

Stephanie A. Johnson
Fiscal Analyst

Jim W. Smith

Legislative Budget Analyst and Auditor

ATTACH:1