
Department of Public Safety and Correctional Services Fiscal 2006 Budget Overview

**Department of Legislative Services
Office of Policy Analysis
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Note: Numbers may not sum to total due to rounding.

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Analysis of the FY 2006 Maryland Executive Budget, 2005

Q00 – DPSCS – Fiscal 2006 Budget Overview

The Department of Public Safety and Correctional Services (DPSCS) helps to keep Maryland communities safe and provides services to the victims of crime. The department strives to ensure the safety, security, and well-being of defendants and offenders under their supervision and to provide criminal justice agencies with access to timely, accurate information about defendants and offenders.

As seen in **Exhibit 1**, the DPSCS fiscal 2006 operating budget allowance is approximately \$998 million, which is an increase of approximately \$40.2 million, or 4.2% over the fiscal 2005 working appropriation. Approximately 84.2% of the department's budget is derived from general funds, 13.7% from special funds, and the remaining 2.1% is comprised of federal and reimbursable funds.

- The largest change, an increase of \$34.4 million, is in the Division of Correction. Approximately \$10.2 million of the increase can be attributed to the opening of North Branch Correctional Institution (NBCI). Another \$6.8 million of the increase is for educational grants in Classification, Education and Religious Services. The Maryland Correctional Training Center (MCTC) received an increase of approximately \$4.6 million and Maryland Correctional Institution for Women (MCI-W) received an increase of approximately \$2.6 million. MCTC and MCI-W are the two Reentry Enforcement Services Targeting Addition, Rehabilitation, and Treatment pilot sites. Approximately \$10 million of the increase can be accounted for by increases in the inmate medical contract.
- The next largest change, an increase of \$9.4 million, is in the Division of Pretrial Detention and Services (DPDS). Of this amount, approximately \$6.9 million is for inmate medical care, including funds needed to address the U.S. Department of Justice issues. The remaining funds are largely accounted for by increases in contractual food services, utilities, and dietary maintenance and equipment.
- The Office of the Secretary received a PAYGO allowance of \$1,754,000 of special funds for fiscal 2006 to construct a warehouse for State Use Industries (SUI).
- The Office of the Secretary received a decrease of \$2.8 million in the fiscal 2006 allowance. The decrease can be attributed to reductions in the Information Technology Communications Division and Major Information Technology (IT) Projects Division. Many of these projects are instead funded through the Major Information Technology Development Project Fund (MITDPF).
- The Division of Correction received a \$21.3 million deficiency appropriation for fiscal 2005. This provides funding for local jail per diem payments. Approximately \$14.6 million of the appropriation is necessary to pay prior year shortfalls.

Exhibit 2 shows that the department's personnel complement has grown by 153 regular positions, or 1.4%. The growth in regular positions results primarily from an additional 192 positions associated with the planned opening of a new housing unit at NBCI and a reduction of 23 positions for Parole and Probation. The department's contractual positions have been reduced by 5.4%, or 24 full-time equivalents.

Exhibit 1
Department of Public Safety and Correctional Services Budget Overview
Total Funds by Program
Fiscal 2005 – 2006

	<u>FY 2005 Working Appropriation</u>	<u>FY 2006 Allowance</u>	<u>FY 2006 Allow. with Contingent Reductions</u>	<u>Change FY 05-06 CR</u>	<u>% Change FY 05-06 CR</u>
Operating Programs					
Office of the Secretary	\$116,210,637	\$113,372,964	\$113,232,214	-\$2,978,423	-2.6%
Division of Correction	586,431,891	620,876,432	620,192,929	33,761,038	5.8%
Parole Commission	4,557,546	4,673,332	4,650,705	93,159	2.0%
Division of Parole and Probation	84,541,210	85,226,566	84,778,342	237,132	0.3%
Patuxent Institution	35,169,482	35,579,561	35,536,917	367,435	1.0%
Inmate Grievance Office	563,576	598,304	597,104	33,528	5.9%
Police/Correctional Training Comms.	7,941,183	8,456,884	7,684,333	-256,850	-3.2%
Criminal Injuries Compensation Board	5,967,700	5,607,216	5,606,080	-361,620	-6.1%
MD Commission on Correctional Stds.	481,300	512,079	509,571	28,271	5.9%
Div. of Pretrial Detention and Services	115,710,617	125,074,070	124,994,944	9,284,327	8.0%
Total – Operating Programs	\$957,575,142	\$999,977,408	\$997,783,139	\$40,207,997	4.2%
Funds					
General	\$802,759,169	\$842,349,211	\$840,154,942	\$37,395,773	4.7%
Special	131,166,917	137,151,208	137,151,208	5,984,291	4.6%
Federal	8,137,884	10,974,100	10,974,100	2,836,216	34.9%
Reimbursable	15,511,172	9,502,889	9,502,889	-6,008,283	-38.7%
Total	\$957,575,142	\$999,977,408	\$997,783,139	\$40,207,997	4.2%
PAYGO Program					
Office of the Secretary PAYGO	\$0	\$1,754,000	\$1,754,000	\$1,754,000	n/a
Funds					
Special	\$0	\$1,754,000	\$1,754,000	\$1,754,000	n/a

CR = contingent reductions

Source: Department of Public Safety and Correctional Services

Exhibit 2
Department of Public Safety and Correctional Services Budget Overview
Fiscal 2005 – 2006

Regular Positions by Program

	FY 2005			
	<u>Working</u>	FY 2006	FY 05-06	FY 05-06
	<u>Appropriation</u>	<u>Allowance</u>	<u>Change</u>	<u>% Change</u>
Operating Program				
Office of the Secretary	499	495	-4	-0.8%
Division of Correction	7,219	7,396	177	2.5%
Parole Commission	81	81	0	0.0%
Division of Parole and Probation	1,295	1,272	-23	-1.8%
Patuxent Institution	495	495	0	0.0%
Inmate Grievance Office	6	6	0	0.0%
Police/Correctional Training Comms.	76	79	3	3.9%
Criminal Injuries Compensation Board	7	7	0	0.0%
MD Commission on Correctional Stds.	6	6	0	0.0%
Div. of Pretrial Detention and Services	1,512	1,512	0	0.0%
Total	11,195	11,348	153	1.4%

Contractual Positions by Program

	FY 2005			
	<u>Working</u>	FY 2006	FY 05-06	FY 05-06
	<u>Appropriation</u>	<u>Allowance</u>	<u>Change</u>	<u>% Change</u>
Operating Programs				
Office of the Secretary	142	133	-8	-5.9%
Division of Correction	75	70	-6	-7.5%
Parole Commission	2	2	0	0.0%
Division of Parole and Probation	149	139	-10	-6.7%
Patuxent Institution	40	40	0	0.0%
Inmate Grievance Office	1	1	0	0.0%
Police/Correctional Training Comms.	44	44	0	0.0%
Criminal Injuries Compensation Board	8	8	0	0.0%
MD Commission on Correctional Stds.	2	2	0	0.0%
Div. of Pretrial Detention and Services	25	25	0	0.0%
Total	488	464	-24	-5.4%

Source: Department of Public Safety and Correctional Services

Analysis in Brief

Issues

Movement of General Funds by Amendment: In fiscal 2004 and 2005, DPSCS used budget amendments to realign more than \$17 million in general funds within the department. **The department should be prepared to comment on the substantive changes implemented by these amendments on the operations and organization of the agency.**

Significant Happenings in DPSCS

New Housing Unit and Support Services Building at North Branch Correctional Institution: NBCI to open a new 256-bed housing unit and the support services building in October 2005. **The department should be prepared to discuss its plans to move the Maximum Security Level II (the current Maryland Correctional Adjustment Center) population to NBCI.**

New and Increased Fees: There is pending legislation in the Budget Financing Act of 2005 (HB 147/SB 124) that would create a monthly fee for offenders placed in the Drinking Driver Monitor Program (DDMP), increase fees for offenders sentenced to probation, and increase court costs for the Law Enforcement Correctional Training Fund. These fee increases are tied to either contingent reductions or contingent appropriations in the Parole and Probation and the Police and Correctional Training Commissions budgets. **The department should be prepared to discuss each fee proposal.**

Department of Public Safety and Correctional Services

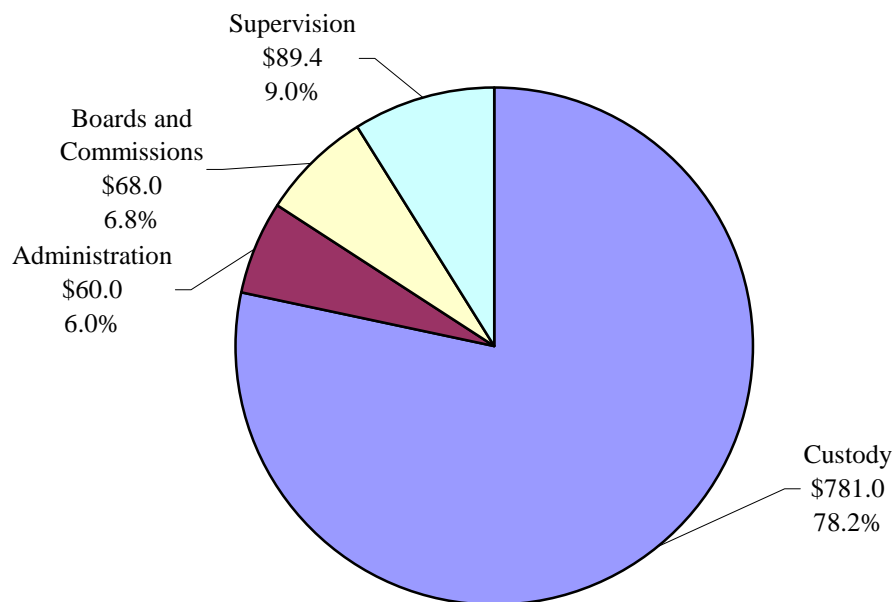
Fiscal 2006 Budget Overview

Budgetary Context

The Department of Public Safety and Correctional Services (DPSCS) is composed of 10 distinct agencies. The agencies can be categorized into four functional areas: administration, boards and commissions, custody, and supervision.

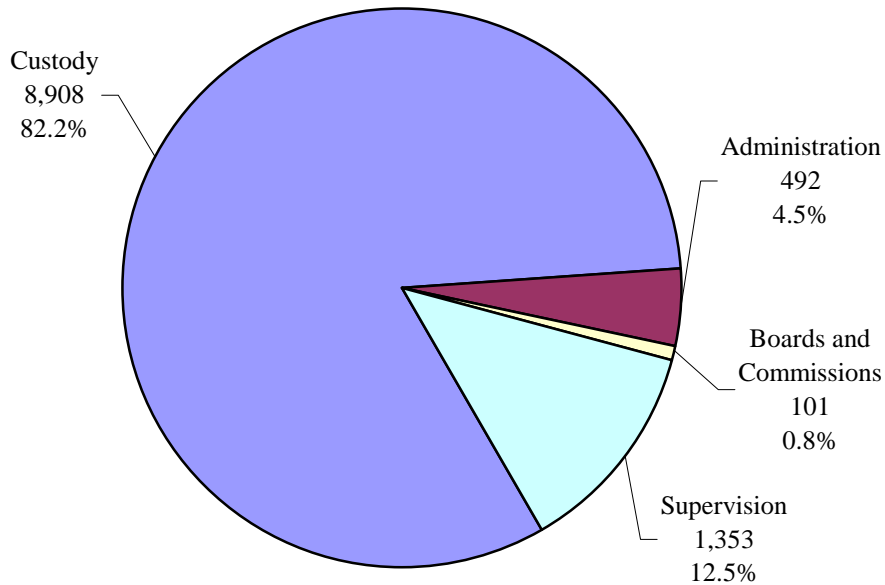
The largest functional area is the custody function. The custody function is composed of three agencies: the Division of Correction (DOC), the Patuxent Institution, and the Division of Pretrial Detention and Services (DPDS). Each of these agencies is responsible for the physical confinement and control of inmates and detainees ordered confined by Maryland's judicial system. While each of these agencies is composed of various facilities and programs, **Exhibit 3** shows that their aggregate fiscal 2006 allowance is approximately \$781 million, or 78.2% of the total allowance. **Exhibit 4** shows that in the fiscal 2006 allowance 8,908 regular employees, or 82.2% of the total personnel allowance is associated with the custody function. DPSCS estimates that the average daily population for the custody units will exceed 28,500 individuals during fiscal 2006.

Exhibit 3
Fiscal 2005 Allowance by Function
(\$ in Millions)



Source: Department of Public Safety and Correctional Services

Exhibit 4
Fiscal 2005 Regular Employees by Function



Source: Department of Public Safety and Correctional Services

The next largest functional area is the supervision function, which is facilitated by the Division of Parole and Probation (DPP) and the Maryland Parole Commission (MPC). DPP is responsible for supervising offenders under criminal supervision via probation by the judicial system or parole by MPC and individuals assigned to the Drinking Driver Monitoring Program (DDMP). DPP expects to supervise a population of more than 138,000 individuals during fiscal 2006. MPC is responsible for evaluating and hearing the cases of all inmates in State and local facilities when they become statutorily eligible for parole. MPC estimates that it will hear over 12,000 cases during fiscal 2006. The supervision functional area's fiscal 2006 allowance is \$89.4 million, or 9.0% of the total DPSCS allowance. For the supervision function, the fiscal 2006 allowance provides 1,353 regular employees, or 12.5% of DPSCS' total personnel allowance.

The third largest functional area is the boards and commissions function. This includes the Criminal Injuries Compensation Board (CICB), the Inmate Grievance Office, the Emergency Number System Board (ENSB), the Maryland Commission on Correctional Standards (MCCS), and the Police and Correctional Training Commissions (PCTC). Each of the agencies, except for MCCS, receives the majority of its operating revenue from special funds. CICB provides the administrative support to

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victims who wish to be compensated for injuries and damages sustained as a result of criminal activity. The ENSB develops policy and provides financial support for the State's 9-1-1 emergency system. MCCS develops and audits compliance with the standards for all public and private correctional and detention facilities in the State. PCTC develops the training standards for all law enforcement and correctional officers in the State and provides actual training. The boards and commissions functional area aggregate fiscal 2006 allowance is approximately \$68 million, or 6.8% of DPSCS' total allowance. The fiscal 2005 allowance also provides the boards and commissions area 101 regular employees, or 0.8% of the total personnel allowance.

The final functional area is the administration area. The administration area is composed of most of the units within the Office of the Secretary, including the Internal Investigation Unit, the Office of Treatment Services, General Administration, Capital and Facilities Management, and the Information Technology and Communications Division. The administration area coordinates and supports the other functional units' activities. The administration functional area's fiscal 2006 allowance is \$60 million, or 6.0% of the total DPSCS allowance. For the administration function, the fiscal 2006 allowance also provides 492 regular employees, or 4.5% of DPSCS' total personnel allowance. **The department should be prepared to discuss the impact of the Governor's allowance on operations and service delivery within the functional units.**

Issues

1. Movement of General Funds by Amendment

In fiscal 2004 DPSCS used budget amendments to realign approximately \$15.2 million in general funds within the department. **Exhibit 5** shows the details of the transfers. The budget amendments used were not subject to review by the budgets committees because they reallocated funds and did not increase the appropriation.

**Exhibit 5
General Fund Movements by Amendment**

<u>Fiscal Year</u>	<u>Amendment No.</u>	<u>Origin of Funds</u>	<u>Amount Increased</u>	<u>Amount Decreased</u>	<u>Net</u>
2004	319-04	Office of the Secretary	\$2,187,500	\$28,000	\$2,159,500
		Division of Correction	6,529,000	10,298,000	-3,769,000
		Maryland Parole Commission	71,000	0	71,000
		Division of Parole and Probation	0	3,205,000	-3,205,000
		Patuxent Institution	0	350,000	-350,000
		Police and Correctional Training Comms.	0	60,000	-60,000
		Maryland Commission on Correctional Stds.	0	115,000	-115,000
		Division of Pretrial Detention and Services	5,477,000	208,500	5,268,500
115-04		Office of the Secretary	962,878	510,382	452,496
		Division of Correction	0	452,496	-452,496
Total			\$15,227,378	\$15,227,378	\$0

Source: Department of Public Safety and Correctional Services

In Budget Amendment 319-04, DPSCS realigned approximately \$14.3 million of general funds. The stated purpose of this amendment was to “realign the general fund appropriation within the department in accordance with actual expenditures.” As a result of this amendment, the Office of the Secretary increased its general fund appropriation by approximately 4.8%, and DPDS increased its appropriation by 4.9%. The amendment decreased the general fund appropriations for DPP and DOC by approximately 3.9% and 1.0%, respectively. The movement of funds suggests a possible reorganization of the department, but it is unclear exactly what was accomplished.

Amendment 115-04 realigned \$962,878 to “reflect the creation of the Office of Treatment Services in the Office of the Secretary.” The reorganization, which was approved by the Department of Budget and Management, was designed to better deliver medical services to inmates in the department’s

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custody. The office oversees inmate health services, mental health services, social services, substance abuse treatment, and the Patuxent Institution.

The department should be prepared to comment on substantive changes implemented by these budget amendments on the operations and organization of the department.

Significant Happenings in DPSCS

1. New Housing Unit and Support Services Building at North Branch Correctional Institution

The North Branch Correctional Institution (NBCI) in Allegany County is set to open the doors of a new 256-bed housing unit and the support services building in October 2005. NBCI will also take over management of an existing housing unit from Western Correctional Institution at that time. The Governor's allowance includes an increase of approximately \$10 million for NBCI, of which approximately \$5.5 million is for the operation of the Housing Unit 2, and the remaining approximately \$4.5 million is for the operation of the support services building. The allowance also increases NBCI's personnel complement by 192 positions, of which 114 positions are for the new housing unit and 78 positions are for the support services building.

The opening of the new housing unit brings the total bed capacity of NBCI to 512. The department plans to construct two additional 256-bed housing units to bring the final bed capacity to 1,024. The fiscal 2006 budget includes funding to complete design of the project, and to construct the third housing unit, the emergency generator buildings, and perimeter security. The facility is intended to meet DOC's requirements for maximum-security correctional beds and reduce the use of non-conventional housing.

The department should be prepared to discuss their plans to move the Maximum Security Level II (the current Maryland Correctional Adjustment Center) population to NBCI.

2. New and Increased Fees

There is pending legislation in the Budget Financing Act of 2005 which would create or increase monthly fees for offenders under supervision by DPP and increase the court costs paid in a criminal case to benefit the Law Enforcement and Correctional Training Fund.

Probation Fees: Probation supervisees in DPP currently pay a monthly fee of \$25, while parole supervisees pay \$40 per month. The Budget Financing Act of 2005 would increase the fee for probationers to \$40. The department expects to raise approximately \$1.3 million in general funds, of which \$598,000 is tied to a general fund contingent appropriation.

DDMP Fees: In the DDMP, the department plans to impose a \$45 monthly program fee. This will be paid in addition to the DPP monthly fee. The fees would be used to establish a DDMP Fund, which would be used for expenses relating to the operation and funding of the DDMP. The goal is to make the DDMP fully fee-supported. In anticipation of the DDMP Fund, no general funds were included in the allowance, only \$8.3 million in contingent special funds pending the fee increase. Normally, a fee proposal would make the general funds contingent upon the enactment of the new fee. Because there are no general funds appropriated, if the fee fails to pass, the program will be unfunded.

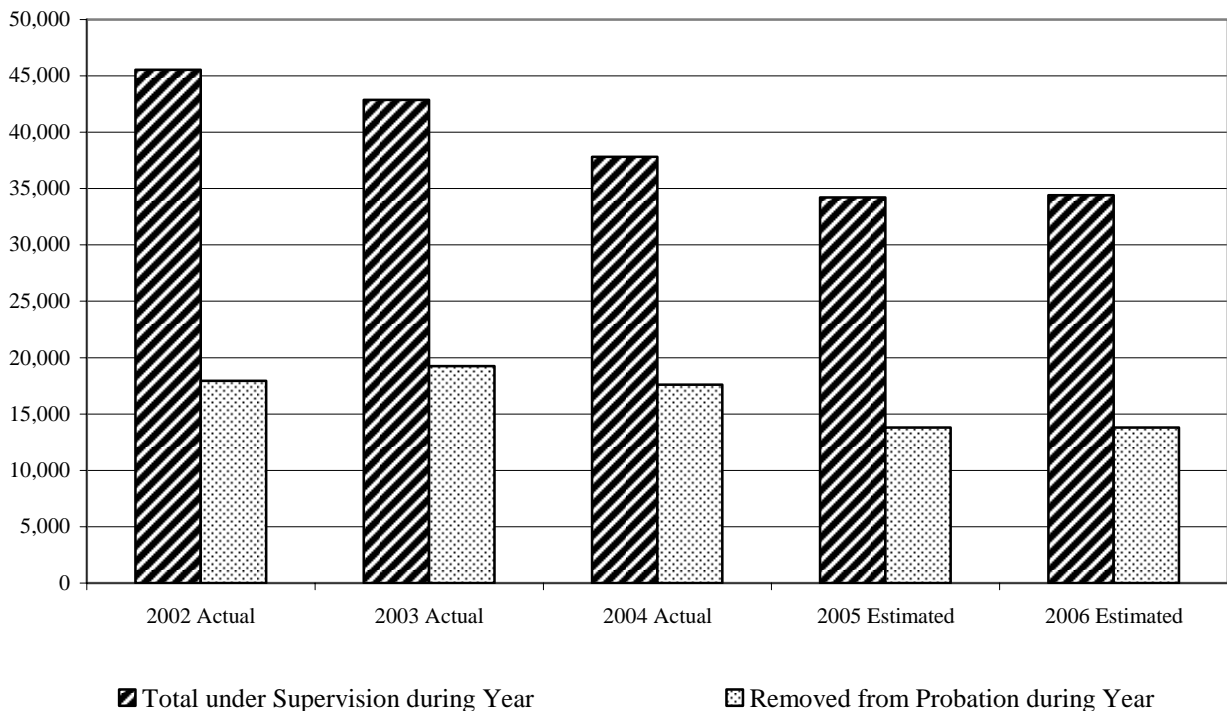
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The department should be prepared to discuss the following questions: Do DDMP participants currently pay any fees beyond the DPP \$25 monthly fee? If so, how much are the fees and what is the annual amount raised? How much will the \$45 fee raise per month? What is the average income and employment rate for DDMP participants?

As shown in **Exhibit 6**, participation in the DDMP has been on the decline in recent years. Between fiscal 2002 and 2004, participation has dropped 17%. **The department should be prepared to discuss its ability to raise \$8.3 million in fees in light of declining participation in the DDMP.**

Court Cost Increase: The Budget Financing Act of 2005 increases the administrative District Court fees from \$20 to \$25 for cases in which costs are imposed. The Act also increases the share of such fees paid into the Law Enforcement and Correctional Training Fund from one-fourth to two-fifths (actually \$5 to \$10). This action is linked to a \$750,906 general fund contingent reduction in the budget. **The department should be prepared to comment on how much revenue it expects to generate from this increased fee and where the revenue that exceeds the \$750,906 will be directed.**

Exhibit 6
Cases under Supervision in the Drinking Driver Monitor Program



Source: Department of Public Safety and Correctional Services