

Approved \_\_\_\_\_

Date

2-2-87

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Vice Chairman Chronister at \_\_\_\_\_  
Chairperson

1:30 ~~am~~ p.m. on Wednesday, January 21, 1987 in room 514-S of the Capitol.

All members were present except: Representatives Wisdom and Hoy (both excused)

Committee staff present: Gloria Timmer, Legislative Research  
Diane Duffy, Legislative Research  
Jim Wilson, Revisor's Office  
Sharon Schwartz, Administrative Aide  
Nadine Young, Committee Secretary

Conferees appearing before the committee:

HB 2064, an act concerning the secretary of the department of human resources; relating to the powers and duties thereof; authorizing certain contracts.

Secretary Smith appeared in support of the bill. He introduced Gary Adkins who explained the purpose of the bill. HB 2064 would allow the Secretary of Human Resources, with approval of the Governor, to contract with federal, state and private not-for-profit corporations to perform data processing. Rex Cornett and Gary Snyder also were present to answer any questions.

Representative Shriver moved that HB 2064 be recommended favorable for passage. Representative Hamm seconded. Motion carried.

Please refer to Attachment 1 which explains the mission of the Employment Security Systems Institute (ESSI).

Richard A. Mills, Secretary of Corrections addressed the committee and gave an overall review of the Kansas Department of Corrections. (See Attachment 2). He presented a graph which shows increase in inmate population in recent years - it has more than doubled just since 1980. The prisons are now operating at above maximum capacity. He said there are now 474 inmates on the list who could go into community corrections programs and this would alleviate the problem to some degree.

Idleness continues to be a significant problem in the major institutions. A steady influx of new prisoners only adds to the already high level of idleness among the inmates. Secretary Mills talked at length about increased utilization of inmate labor in construction and remodeling projects. The practice has proven to be very cost effective.

There was brief discussion about sentencing guidelines currently being used in some other states in an effort to reduce their prison population. There are several factors used, such as severity of current offense and number of prior convictions.

Secretary Mills reported that the reclassification of all inmates is scheduled to be completed by January 28 at all facilities. This will give a true picture of the number of minimum and maximum inmates.

There is a document available entitled "Crime in Kansas" which contains pertinent information regarding arrest rates and admission rates, etc.

Meeting adjourned at 2:50 p.m.

**Kansas Department of Human Resources  
Employment Security Systems Institute  
Status Report**

The employment security system, nation-wide, was established through passage of the Social Security Act and the Federal Unemployment Tax Act. The statutes provide for a federal/state partnership in the administration of the system's unemployment insurance, employment service and labor market information functions.

Generally, the Federal government is responsible for collection of Federal unemployment taxes, funding of State operations through taxes collected and for overall administration of the program. State jurisdictions, known as State Employment Security Agencies (SESAs) are responsible for actual administration of the functions on a State and local basis. This is accomplished through individual State Employment Security laws which, while conforming to broad Federal guidelines, recognize the individual differences in the States.

In the late 1960's, automation within the SESAs was in its infancy. Studies conducted at that time found that automation ranged from competent, well-designed systems at one end to total absence of automated systems at the other end. It became apparent that coordination and training were the keys to creating successful Employment Security automation and standardization.

The Manpower Administration, now the Employment and Training Administration, of the United States Department of Labor issued a call for proposals among the States to provide competence, on a national basis, in training Employment Security data processing professionals. Kansas was selected from among several competitors to provide this service.

In January, 1970, the Manpower Administration Systems Institute (now the Employment Security Systems Institute) officially opened its doors in Topeka, KS. Since that time over 14,000 Employment Security personnel have been trained.

The mission of ESSI, because of its record of proven success in providing data processing competence, was expanded in 1971 to include design and development of national data systems. ESSI had thus evolved into a full service data processing training, systems support and operations center. By 1986, the budget for ESSI systems and programming operations stood at \$1.86 million with 47 employees. The training function had a budget of \$240,000 and six employees.

Beginning in 1980, the Employment and Training Administration began decentralizing its functions. Federal funding of the training function was terminated in the early 1980's. Since that time ESSI training has subsisted on the basis of individual State grants either for payment of individual student tuition or by contracts for training at the SESA-selected training site.

In late 1986, the Kansas Department of Human Resources was notified by the Employment and Training Administration that Federal support of ESSI would cease effective December 31, 1986. Despite concerted efforts by department personnel, ETA

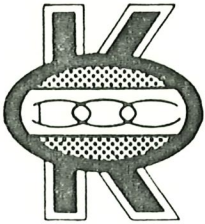
could not be shaken in their conviction to decentralize the funding and operation of ESSI.

In recognition of the continued need for national SESA data systems support and training, the Department of Human Resources approached the Interstate Conference of Employment Security Agencies, Inc., in an effort to secure continued funding of ESSI. The Board of Directors of ICESA requested that ESSI survey the individual SESAs to determine the State's ability to continue funding for ESSI. The results of the survey overwhelmingly indicated the SESAs supported the continuation of ESSI as a national systems support and training center. The Board of Directors then requested that ESSI prepare cost estimates for individual services in order to ascertain the extent of individual SESA financial support.

A total of 45 states indicated that financial support would be forthcoming to fund ESSI systems support operations through the auspices of ICESA at a level of approximately \$914,000 for the period of January 1, 1987, through September 30, 1987. Furthermore, there is an indication of support for ESSI training of approximately \$260,000 and five employees. Due to the interest displayed by the 45 States, the ICESA Board of Directors voted, in December, 1986, to enter into a contract providing for continued funding of ESSI.

ICESA has prepared the contract to outline the funding framework for the transfer of funds for ESSI to the Department of Human Resources. However, present Kansas statutes do not allow such contracts, thus the Department is seeking passage of this legislation.

If this bill is not acted on quickly, the State of Kansas will be unable to meet the February ESSI payroll. Without passage of this bill, the Department will have no alternative but to close ESSI with ICESA looking to another State to perform ESSI's functions. The net effect will be the loss of \$1.2 million annually in the Topeka area and the lay-off of 28-33 individuals.



KANSAS DEPARTMENT OF CORRECTIONS  
INTERDEPARTMENTAL MEMORANDUM

January 21, 1987

TO: Representative William Buntten, Chairperson  
House Appropriations Committee

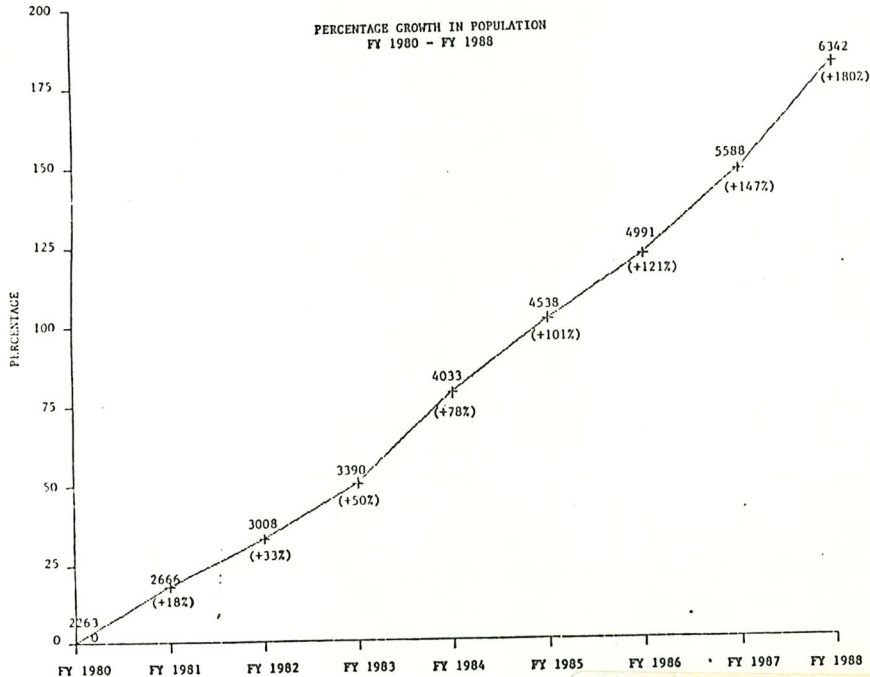
FROM: Richard A. Mills, Secretary of Corrections

SUBJECT: Kansas Department of Corrections' 1987 Legislative  
Overview

Prison overcrowding is a serious problem in Kansas. The decade of the 80's has seen our prison population first double, then continue to grow at an alarming rate. As the figures which follow will indicate, Fiscal Year 1987 could easily see the largest single year inmate population increase in the state's history. For this reason it is important that the Department have this opportunity to meet with the Appropriations Committee today to outline the current situation facing the Kansas prison system.

PRISON POPULATION

As the graph below indicates, the inmate population in Kansas has more than doubled since 1980.



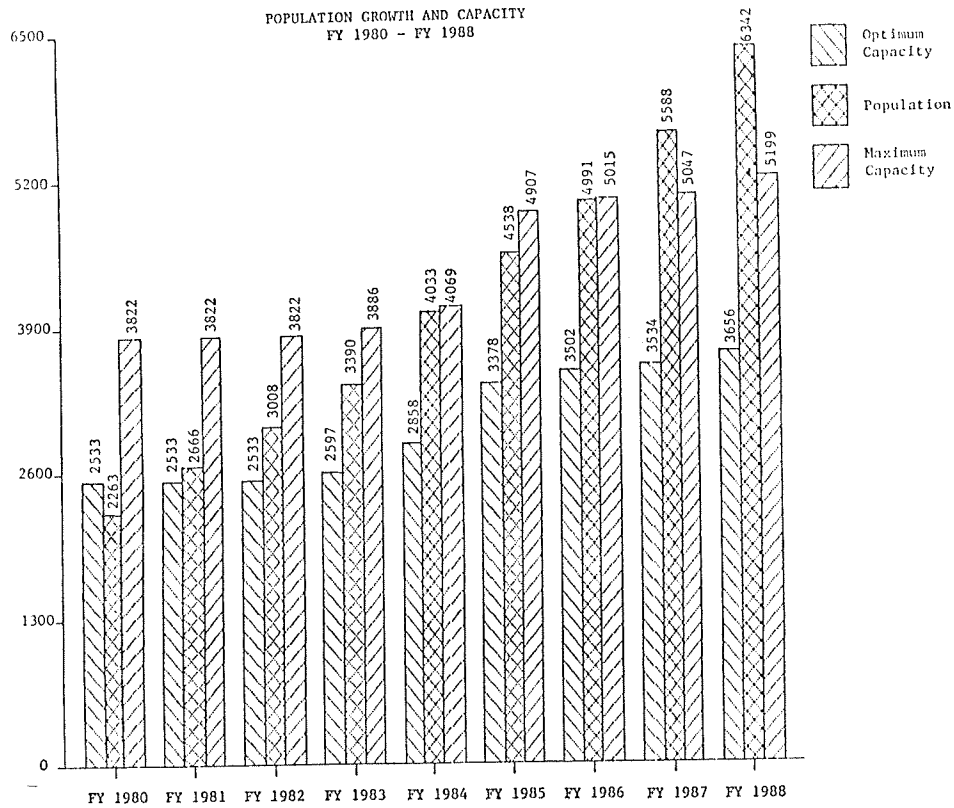
The growth in the current fiscal year has gone from 4,834 on June 30, 1986, to 5,261 inmates on December 31, 1986. This represents an increase of 427 inmates (+71 inmates per month) during the first six months of the fiscal year. This growth is substantially in excess of the 32 inmates per month increase that was projected at the beginning of the fiscal year.

The impetus behind the population growth relates to higher than expected prison admissions and a dramatic decrease in the number of inmates receiving parole. Prison data show that there have been 1,339 admissions during the first six months of FY 1987. This represents an additional 133 admissions over what was projected FY 1987 growth. Similarly, the data indicate that prison releases are running lower than expected. For the first six months of the year there was projected to be 1,014 releases. This compares to actual releases of 938 (or 76 fewer releases than anticipated). The higher than expected admissions are due largely to higher court commitments and the lower releases are primarily being caused by the extremely low parole rate (24%) during FY 1987.

Revised population projections cannot logically be done until the end of FY 1987, at which time there will be adequate data available to do a revised multi-year projection. Until that time, we can only observe what has occurred and assume that the trend which has established itself over the first six months of the fiscal year will sustain itself until June 30, 1987. For the purpose of comparison, the Department has now assumed that the rate of growth for the fiscal year of the whole will run at about 63 inmates per month. If this occurs, then there will be 5,588 inmates in our facilities by June 30, 1987. Should this trend continue into FY 1988 at 63 inmates per month growth there could be as many as 6,342 inmates in Kansas correctional facilities by June 30, 1988.

#### PRISON CAPACITY

The estimated population figures set out above compare with the current optimum capacity of 3,502 and maximum capacity of 5,015. Additional bedspace that is approved between now and June 30, 1988, will add 154 beds to optimum and 184 beds to maximum capacity. Thus, as set out in the graph below, revised bedspace as of June 30, 1988, will total 3,656 optimum and 5,199 maximum capacity. This additional bedspace will be added at the initial opening of Ellsworth (72 optimum and maximum), Kansas State Penitentiary (KSP) (50 optimum and 80 maximum) and at the State Reception and Diagnostic Center (SRDC) (32 optimum and maximum).



Given the current rate of growth, assuming that nothing changes, the Department would be 2,686 beds over optimum and 1,143 over maximum capacity by June 30, 1988. This is the current scenario since no significant bedspace is due to be added to the system until March, 1989 (the remaining 216 beds at the Ellsworth Correctional Work Facility).

### BUDGET IMPACT

The Department prepared and submitted its FY 1988 budget requests in September before it was possible to know that the inmate population would more than double the projections. Once this trend became clearly established, it was evident that the Average Daily Population (ADP) estimate would have to be revised. This was done as of November 30, 1986, to accommodate the budget preparation process. At that time the Department had experienced actual growth of 62.80 inmates per month. The Department revised its ADP estimates to assume that this trend would continue

through the end of the fiscal year. Thus, the revised projection for year-end population is 5,588 and the revised FY 1987 ADP is 5,211.

The increase in the number of inmates confined at Kansas correctional institutions will obviously have to be reflected in the Department's FY 1988 budget. I cannot give you detailed budget information today for the simple reason that it is not yet available. The Governor will present his entire FY 1988 budget in his address to the State on Friday. What I can tell you is this--we cannot continue to provide programs and needed services at the currently approved budget levels, with the inmate population increasing at the current rate.

This state will also need additional prison bedspace over and above that already under construction. To that end, the Department is working with the Governor and the Joint Committee on State Building Construction to develop an appropriate capital improvement expansion plan.

The Department has also been working with an Advisory Committee on Prison Overcrowding which I appointed in August of 1986, to assist in analyzing the problems associated with prison overcrowding. The focus of the committee's work has been on expanding alternatives to incarceration for non-violent offenders. Serving on this committee are representatives from government, criminal justice agencies, academics and concerned members of the public who share our concern for a safe and efficient prison system in Kansas. The committee will complete their report and forward their recommendations to me on January 27, 1987. At that time I will discuss their findings and specific recommendations with the administration and move to implement them as deemed appropriate.

#### INMATE ACTIVITIES

In Fiscal Year 1986 the Department of Corrections continued to provide inmates with purposeful activities aimed at rehabilitation and eventual reintegration into the community. The Department provided a variety of formal vocational training and academic education programs systemwide. A brief summary is provided below:

#### Formal Vocational Training Services

The primary vocational education services at Kansas correctional facilities are provided through contractual arrangements with the local area vocational technical schools (AVTS). Other vocational training courses are provided by contract with Platt College of St. Joseph, Missouri, and St. Mary's College of Leavenworth, Kansas, which offer a variety of extension courses. For AVTS

courses at all four major facilities where they are offered, there were 295 inmate participants in training at the beginning of FY 1986. During the fiscal year, there were 827 inmate enrollments, 430 course completions, and 312 discontinuations, leaving 380 participants at the end of the fiscal year. For all other vocational classes there were 240 students at the beginning of the period, 616 enrollments, 172 completions, 376 discontinuations, and 308 students left in class at the end of the fiscal year.

The total number of inmate trainees in full-time formal vocational programs increased from 524 at the beginning of fiscal year 1986 (July 1, 1985) to 684 at the end of FY 1986 (June 30, 1986). This substantial increase of 160 trainees (31%) is due in large part to the expansion of the vocational programs to the recently-opened medium unit at KSP.

#### Academic Education Services

The primary academic education services at Kansas correctional facilities are provided under contractual arrangements with either the local school districts or with a nearby college. Thus, for the most part the programs offered are accredited and taught on site by certified instructors. Each of the larger housing facilities offer some type of adult basic education (pre-G.E.D.) and a G.E.D. program. All except the Kansas Correctional Vocational Training Center (KCVTC) in Topeka offer college-level course work. At KSP it is also possible to take correspondence courses and to participate in independent study programs. During FY 1986 some 241 inmates completed some type of pre-G.E.D. course of study, 258 completed the requirements for the G.E.D., 612 two-semester or three-semester-hour college courses were completed (number of courses--not number of participants) and 52 completed some type of correspondence course or independent study course.

The total number of inmate students in academic education programs also increased during FY 1986, from 509 at the beginning of FY 1986 to 593 at the end of the fiscal year. This increase of 84 students (17%) is due to the expansion of programs to the KSP medium unit and to the moderate increases in the number of students in some of the programs at other facilities.

The number of inmates in formal vocational training at the end of FY 1986 (684) was about 14% of the total inmate population housed in KDOC facilities at that time (4,834). The number in academic education programs (593) at that time was about 12% of the total population. The combined total for both types of programs--vocational and academic education--was not determined since some inmates were participants in both types at the same time.



### Inmate Idleness

Idleness continues as a significant problem in the major DOC institutions. A steady influx of new prisoners only continues to add to the already high level of idleness among the inmates. Despite some expansion of educational, institutional and prison industry programs, overcrowding of our institutions is exceeding the system's ability to create meaningful work and training programs for our inmate population. Kansas Statutes (K.S.A. 75-5211) provide that to the extent possible, inmates be provided with a full 40-hour work week.

A recent Department survey of inmate jobs revealed that KSP and KSIR (Kansas State Industrial Reformatory) have the highest number of idle inmates. Currently at KSP there are approximately 1,100 inmates (44%) who are idle. Of these, 555 inmates are idle solely due to lack of work. The remainder are either in orientation, segregation, or physically unable to work. At KSIR there are a total of 697 (42%) who are without work. Of these, 511 are idle due to no work being available. Providing meaningful work is also a significant problem at the Kansas Correctional Institution at Lansing (KCIL) where a practice of job over-assignment is used to provide inmates with daily activity.

Many inmates lack basic educational background, have limited job skills, and poor work histories. Extended periods of incarceration characterized by enforced idleness cannot help but perpetuate poor work habits and low self-esteem. It would appear to be a prudent investment to provide more opportunities to inmates for self-improvement and vocational training prior to their release.

### KANSAS CORRECTIONAL INDUSTRIES (KCI)

KCI is an inmate work program which serves a restricted market for the production of goods and services. A majority of the sales are to state agencies and local units of government. The program provides employment and training for approximately 350 employees operating twelve divisions in Lansing, Topeka, Hutchinson, and Oskaloosa.

The 1986 legislature allowed for the expansion of the program through the purchase of a meat processing plant in Oskaloosa, Kansas and the transfer of the state and federal surplus property programs from the Department of Administration to the DOC.

The meat processing plant will be ready to begin production January 21, 1987. It will provide the processed beef and pork to all correctional institutions by the end of this fiscal year. Next year it will begin supplying processed meat products to other state institutions.

The federal surplus property program transferred more property to eligible agencies throughout Kansas during the last year than ever before in the history of the program. It is now fiscally stable. The state surplus property program is experiencing some difficulty in generating enough revenue to cover the expenses of the program. The state surplus property program is currently being evaluated to determine whether any statutory revisions could help the program achieve its objectives.

In addition to the 350 inmate employees listed above, who are paid a maximum of \$1.05 per day, there are 32 inmates who work for privately-owned companies and earn \$3.35 per hour or more. These companies are Zephyr Products; Heatron, Inc.; and Jensen Engineering.

During FY 1986, KCI sales totalled \$4,579,079, which is a 23% increase over FY 1985 sales. All direct expenses were paid for by receipts from the sale of products manufactured and services rendered.

Sales for the first half of FY 1987 were \$2,577,336. Our estimated sales for all of FY 1987 are \$5,494,000. It is anticipated that again the receipts will exceed the expenditures for FY 1987 and FY 1988. (Attachment 1 is a brief description of the activities of each Correctional Industries Division during FY 1986 and the first half of FY 1987.)

#### Using Inmate Labor for Construction and Remodeling Projects

The Legislative Division of Post Audit released a report in March, 1986, which analyzed the use of inmate labor on KDOC construction and remodeling projects. The report found the practice has proven very cost effective, with savings averaging about 45% to as high as 84%. The Department plans to continue the use of inmate work crews in this capacity and will house approximately 70 inmates at Ellsworth as soon as spring, 1988, to do extensive finish work on that project. Future expansion of the use of inmate construction crews will, as pointed out in the post audit report, require additional funding for staff, equipment and transportation.<sup>1</sup>

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<sup>1</sup> "Using Inmate Labor for Construction and Remodeling Projects," Report to the Legislative Post Audit Committee, March, 1986.

SOCIAL & REHABILITATION SERVICES (SRS) AND KDOC SUBSTANCE ABUSE TREATMENT INITIATIVE

In the 1986 legislative session \$550,000 was appropriated to the budget of SRS to fund substance abuse treatment services to inmates and parolees subject to the authority of KDOC (\$50,000 for FY 1986 and \$500,000 for FY 1987). This appropriation has been instrumental in upgrading the quality of substance abuse treatment programs which are available to Department inmates and parolees.

Through the SRS/DOC initiative for the period of between January and December, 1986, there were 389 participants in the institutional treatment programs and 405 KDOC participants in the community-based treatment system. Of the 389 inmates who completed institutional treatment, 119 have subsequently paroled and some have gone on to participate in a community-based aftercare program.

COMMUNITY CORRECTIONS

The Community Corrections Act (CCA) (K.S.A. 75-5290 et seq.) was enacted by the 1978 legislature and continues to encourage the development of community punishment and services for the non-violent adult and juvenile offender as an alternative to placement in state correctional institutions.

In FY 1986, 10 counties comprising eight programs participated under the Act: Sedgwick, Shawnee, Wyandotte, Johnson, Riley, Montgomery, Leavenworth, and Bourbon/Linn/Miami. During Fiscal Year 1986, 753 adult offenders were admitted to community corrections programs at a cost per person of \$1,548. The cost to keep any one of these adult offenders in a Kansas correctional institution in FY 1986 amounted to \$10,784.54. Had the 753 offenders been sent to prison the annual cost to the state would have been approximately \$8.1 million. To build a minimum security facility to house these offenders would cost an estimated \$19.5 million.<sup>2</sup>

Douglas and Saline Counties have been added to the KCA for FY 1987. Saline County opened its program in August, 1986.

The final Douglas County community corrections plan was approved by KDOC in December, 1986. The projected program opening is March 1, 1987.

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<sup>2</sup> Based on a range of \$5,000 to \$57,000 per bed from "Report to the Nation on Crime and Justice," U. S. Department of Justice, 1983.

The KCCA is presently being evaluated by a Temple University research group funded through a \$175,000 grant from the Edna McConnell Clark Foundation, New York, New York. The research will attempt to: (1) describe and assess the manner in which the Act has been operationalized; (2) evaluate whether the goal of reducing commitments to state institutions by diverting selected categories of offenders into alternative programs has been achieved; (3) assess the relative impact of the CCA upon public safety; and (4) analyze the comparative costs of community corrections as compared to probation and incarceration. The results of the study should be available to the state in July, 1987.

RAM:dja  
Enclosures

## ATTACHMENT 1

### CORRECTIONAL INDUSTRIES

FY 1986 - FY 1987 TO DATE

#### Administration Warehousing and Product Delivery

This facility includes a 30,000 square foot warehouse, purchasing office, accounting office, sales office, director's office, and headquarters for the vehicle fleet. The warehouse stores both raw materials and finished goods. It is located on the grounds of KSP.

#### Soap Factory

The Soap Factory is located at the Kansas Correctional Institution at Lansing (KCIL) outside the fence. It employs both male and female inmates and had sales in FY 1986 of more than \$400,000. Forty types of custodial and cleaning supplies are manufactured.

#### Paint Factory

This division has been operating since 1960 manufacturing traffic line paint for the Kansas Department of Transportation (KDOT) and architectural paint for all eligible customers. Sales were more than \$2.1 million for FY 1986.

#### Sign Factory

The major customer for signs is KDOT. Nearly all of the traffic control signs used by the state are now being manufactured in the this shop. Also, the business has been expanded to include special decals such as those used on law enforcement vehicles and neighborhood watch signs. Sales in FY 1986 were approximately \$575,000.

#### Upholstery Shop

The major activity of this division is the reupholstery of furniture such as office chairs, lounge chairs, and divans. The universities are major customers. Sales were \$221,000 in FY 1986.

#### Furniture Refinishing/Manufacturing

This division is located inside the walls at KSP. It employs 100 inmates which is more than any other KCI division. Both metal and wood furniture is refinished which includes desks, chairs, and school furniture. New furniture is also manufactured which

includes lounge furniture, executive chairs, bookcases, conference tables, bunk beds, etc. Sales for FY 1986 were nearly \$250,000.

#### Clothing Factory

This factory manufactures all of the inmate clothing for DOC. Other products include towels, and special clothing for the inmates working in the processing plant. Forty-five medium custody inmates at the Kansas State Industrial Reformatory (KSIR) are employed in this factory. Sales for FY 1986 were over \$375,000.

#### Farm Operation

The farm division is at KSP in Lansing. It consists of a "farrow to finish" hog operation producing 1,800 head of butchered hogs annually and "cow/calf" beef cattle operation producing 90 head annually.

#### Meat Processing Plant

This facility was purchased after the 1986 legislature authorized KCI to borrow \$175,000 for the Pooled Money Investment Board to be paid back over 10 years with interest.

The first half of FY 1986 was spent hiring staff, purchasing equipment, and cleaning up the plant. Processing will begin during January, 1987. The meat will go to KDOC institutions during the first year of operation and to other state agencies later when a market is developed.

#### Microfilming

This division was started during FY 1986 and is located in the medium security facility at KSP. Work includes Brown County court documents microfilmed with archival quality film and State Workmen's Compensation records.

#### Data Entry

Currently, the sole task of the program during FY 1986 is take over the responsibility of coding, and entering on a computer tape, all of the information on vehicle accident reports for KDOT. The accident report forms are picked up at KDOT in Topeka, taken to KSP and processed to be returned to KDOT with the information on a computer tape.

Surplus Property Center

This division is located in Topeka near the Kansas Correctional-Vocational Training Center (KCVTC). Federal surplus property is donated to Kansas and distributed to eligible agencies through the center. A service fee is charged which pays for the operating expenses of the program. The State Surplus Property Program, which operates at the same location, has nearly depleted its financial reserve and possibly needs to have statutes changed in order to make it financially self-sufficient.