JAN 2 6 2000

JUDICIARY

HOUSE FILE 2073

BY GARMAN, DAVIS, MILLAGE, JAGER and CORMACK

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act providing for crediting of telephone rebates for inmates
2 of correctional institutions to the general fund of the state.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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HF 2073

TLSB 5768YH 78

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S.F. _____ H.F. 2073

Section 1. Section 904.508A, Code 1999, is amended to read as follows:

904.508A INMATE TELEPHONE ~~REBATE FUND~~ REBATES.

~~The department is authorized to establish and maintain an inmate telephone rebate fund in each institution for the deposit of moneys received for inmate telephone rebates. All funds deposited in this fund shall be used for the benefit of inmates. The director shall adopt rules providing for the disbursement of moneys from the fund.~~ All moneys received from inmate telephone rebates shall be credited to the general fund of the state.

Sec. 2. TRANSFER. Any moneys remaining in an inmate telephone rebate fund maintained in any department of correction's institution on or after July 1, 2000, shall be transferred and credited to the general fund of the state.

EXPLANATION

This bill provides for crediting to the general fund of the state of telephone rebates paid on behalf of inmates of correctional institutions.

The bill strikes the provisions in Code section 904.508A that authorize the department of corrections to maintain an inmate telephone rebate fund in each correctional institution and require the moneys to be used for the benefit of inmates.

The bill provides that any moneys remaining in any of the funds maintained in the department's institutions on July 1, 2000, shall be transferred and credited to the general fund of the state.

HOUSE FILE 2073
FISCAL NOTE

A fiscal note for **House File 2073** is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2073 would require revenues collected by the Department of Corrections as telephone rebates be deposited into the General Fund beginning in FY 2001. Any amounts remaining in the institutions' Telephone Rebate Fund accounts would be transferred to the General Fund at the beginning of FY 2001.

BACKGROUND

As a security and control measure, the Department of Corrections contracts with a long-distance carrier to provide all inmate telephone service. All calls made by inmates are collect to the recipient. This arrangement allows the call recipient to decide whether to accept the call. The system also allows for monitoring of inmate calls, tabulating statistical data, and blocking calls to specific numbers when necessary. As a part of the contract, the telephone carrier provides a rebate of 52.0% of the revenues to the prisons. The rebates are to be used for the benefit of the inmates.

In FY 1999, the Department used the funds to make a variety of major purchases, including tele-medicine equipment, improvements to Building H at the Fort Dodge institution to expand visiting and vocational education space, mental health services at Mitchellville, recreational facility improvements, law library upgrades through West Law Publications, and completion of the Luster Heights Industries Building. Numerous smaller expenditures were made to purchase such things as educational materials and CED supplies, newspaper and magazine subscriptions, inmate attorney fees, and recreational supplies.

ASSUMPTIONS

1. The Department of Corrections receives approximately $68,000 per month in telephone rebates.
2. The Department has budgeted the remaining balance of the FY 2000 Telephone Rebate Funds to offset the FY 2000 deappropriation for inmate education.

FISCAL IMPACT

The General Fund will receive increased annual revenues of approximately $816,000 from telephone rebates beginning in FY 2001. Funds available to the Department of Corrections will have a corresponding reduction.

SOURCE

Department of Corrections

(LSB 5768yh, MDF)

FILED FEBRUARY 8, 2000 BY DENNIS PROUTY, FISCAL DIRECTOR