

Improving Prison Outcomes Act

SECTION 1. This Act shall be known and may be cited as the Improving Prison Outcomes Act of 202X.

(A) Purpose. This Act creates new State funding for correctional facilities that is distributed such that facilities are rewarded for successfully reducing offender recidivism, improving offender employment outcomes, and increasing correctional officer retention.

(B) Definitions. As used in this Act:

(i) “Baseline parole employment rate” shall mean the average of the parole employment rates for fiscal years 2021 and 2022;

(ii) “Baseline return-to-prison rate” shall mean the average of the return-to-prison rates for fiscal years 2020, 2021, and 2022;

(iii) “Baseline twelve-month officer retention rate” shall mean the average of the twelve-month officer retention rates for fiscal years 2021 and 2022;

(iv) “Baseline twenty-four-month officer retention rate” shall mean the average of the twenty-four-month officer retention rates for fiscal years 2021 and 2022;

(v) “Eligible employment” shall mean any occupation or combination of occupations for which a released offender can provide documentation of verifiable wage-earning hours in the amount of at least one hundred and thirty (130) hours per thirty-day period;

(vi) “Evidence-based practices” shall mean supervision policies, procedures, programs, and technology demonstrated by research to improve the health and safety of correctional facilities; improve organizational culture and employee retention; improve offender employment outcomes; or, reduce recidivism;

(vii) “Parole employment rate” shall mean the proportion of offenders on parole who held eligible employment for at least nine months, at least part of which was in a given fiscal year;

(viii) “Return-to-prison rate” shall mean the proportion of offenders released within the previous forty-eight months of the end of a given fiscal year who experienced an additional incident of incarceration for a new felony conviction within the thirty-six months after being released from a correctional facility for a separate felony conviction;

(ix) “Twelve-month officer retention rate” shall mean the proportion of officers hired within the previous twenty-four months of a given fiscal year who remained employed by the Department of Corrections for at least twelve months;

(x) “Twenty-four-month officer retention rate” shall mean the proportion of officers hired within the previous thirty-six months of the end of a given fiscal year who remained employed by the Department of Corrections for at least twenty-four months;

SECTION 2. A new section of State Code is created, which shall read:

(A) Allocation of Funds. All amounts appropriated for purposes of implementing this chapter will be provided to the [Department of Corrections] to distribute to eligible correctional facilities as performance incentive payments for implementation of evidence-based practices, as specified.

(i) Funds will be moved from the General Fund to the [Department of Corrections], which after making appropriate calculations under Section 2(C)(i) will disburse funding as specified.

(a) [30]% of funds shall be used for performance-based incentives for facilities that reduce their facilities’ return-to-prison rates compared to those facilities’ respective baselines.

(b) [20]% of funds shall be used for performance-based incentives for facilities that increase their facilities’ parole employment rates compared to those facilities’ respective baselines.

(c) [15]% of funds shall be used for performance-based incentives for facilities that increase their facilities’ baseline twelve-month officer retention rate.

(d) [20]% of funds shall be used for performance-based incentives for facilities that increase their facilities’ baseline twenty-four-month officer retention rate.

(e) [15]% of funds shall be retained by the Department of Corrections for data collection and administrative requirements specified in this section.

(ii) The [Office of Planning and Budget] will provide oversight periodically regarding the monetary allocation to the [Department of Corrections] to ensure that disbursed funds are being used in accordance with this section.

(iii) Funds appropriated pursuant to Section 2A(i)(a) and Section 2(A)(i)(b) of this act shall be used for the following purposes:

(a) [25]% of funds for direct financial bonuses of equal amount to all of the administration, staff, and correctional officers of an eligible correctional facility; and

(b) [75]% of funds for discretionary funds for the correctional facility’s operating budget, which may be spent on evidence-based practices designed to promote rehabilitation and vocational readiness as determined by the administration of an eligible correctional facility.

(v) Funds appropriated pursuant to Section 2(A)(i)(c) and Section 2(A)(i)(d) of this act shall be used for the following purposes:

(a) [75]% of funds for direct financial bonuses of equal amount to all of the correctional officers of an eligible correctional facility; and

(b) [25%] of funds for discretionary funds for the correctional facility’s operating budget, which may be spent on evidence-based practices designed to promote correctional officer job satisfaction or general well-being as determined by the administration of an eligible correctional facility.

(vi) The [Department of Corrections] shall maintain a complete and accurate accounting of any and all funds received pursuant to this chapter.

(B) Outcome-based Measurements and Data Collection Requirements. After the conclusion of each complete fiscal year following the enactment of this section, the [Department of Corrections] shall gather the data and calculate the following for that fiscal year:

(i) Baseline and annual return-to-prison rates for offenders released from each correctional facility and statewide.

(ii) Baseline and annual parole employment rates for offenders released to parole from each correctional facility and statewide.

(iii) Baseline and annual twelve-month and twenty-four-month officer retention rates per correctional facility and statewide.

(C) Distribution of Incentive Funding. The [Office of Planning and Budget] in consultation with the [Department of Corrections] shall calculate the amount that each correctional facility is eligible to receive as a performance incentive payment for increasing outcome-based measurements in the immediate past fiscal year, as follows:

(i) For each correctional facility, its performance incentive payments shall equal, if any, the following:

(a) The difference between the facility-specific annual return-to-prison rate and the facility-specific baseline return-to-prison rate as calculated in section 2(B)(i), multiplied by the total population of released offenders from that facility in the time period of the annual return-to-prison rate, multiplied by \$3,000.

(b) The difference between the facility-specific annual parole employment rate and the facility-specific baseline parole employment rate as calculated in section 2(B)(ii), multiplied by the total population of offenders paroled from that facility in the time period of the annual parole employment rate, multiplied by \$2,000.

(c) The difference between the facility-specific annual twelve-month officer retention rate and the facility-specific baseline twelve-month officer retention rate as calculated in section 2(B)(iii), multiplied by the total population of officers hired in that facility in the time period of the annual twelve-month officer retention rate, multiplied by \$1,500.

(d) The difference between the facility-specific annual twenty-four-month officer retention rate and the twenty-four-month officer retention rate as calculated in section 2(B)(iii), multiplied by the total population of officers hired in that facility in the time period of the annual twenty-four-month officer retention rate multiplied by \$2,000.

(e) Facilities are only eligible for performance incentive payments in each category above if the respective calculations net positive results, indicating an improvement in that outcome-based measurement.

(ii) The performance incentive payments will be calculated for each eligible facility and distributed based on the facility-specific calculations in section 2(C)(i) by the [Department of Corrections], subject to appropriations. If insufficient funding is available for the full performance incentive payments as calculated, then the funds shall be distributed in proportion to the incentive funding distribution requirements in section 2(A)(i) and the calculations in section 2(C)(i).

(iii) If data of sufficient quality and of the types required for the implementation of this act are not available, then the [Department of Corrections] shall use the best available data to estimate outcome-based measurements utilizing a methodology that is as consistent with that described in this act as is reasonably possible.

(vi) Within ninety days after the effective date of this act, the [Office of Planning and Budget] shall include an estimate of the total funds to be held and administered under this section in the coming fiscal year as part of the [Governor's proposed budget] for the [Department of Corrections].

(vii) The funds appropriated pursuant to this chapter shall be used to supplement, not supplant, any other State or other appropriation for a correctional facility.

(D) Reporting Requirements. Commencing no later than 18 months following the initial receipt of funding from the General Fund pursuant to this Act, and annually thereafter, the [Department of Corrections] shall submit to the Governor and the Legislature a comprehensive, publicly available report on the implementation of this act. The report shall include, but not be limited to, all the following information:

(i) The effectiveness of the performance incentive payments based on the reports of outcome-based measures required in section 2(B).

(ii) Any recommendations regarding resource allocations or additional collaboration with other state, regional, or local entities for improvements to this act.

(iii) Any recommendations regarding improving data of sufficient quality and of the types required for the implementation of this Act if such data are not available.

SECTION [X]. Severability and effective date.

(A) Severability. It is the intention of the legislature that the provisions of this section shall be severable. If any provision of this section or its application to any person or circumstance is held invalid, the remainder of the section or the application of the provision to other persons or

circumstances is not affected, including but not limited to the applicability of this section to the provisions of future agreements subject to this section.

(B) Effective Date. This Act takes effect on [effective date].