

January 30, 2018

The Honorable Bud Estes, Chairperson
Senate Committee on Federal and State Affairs
Statehouse, Room 136-E
Topeka, Kansas 66612

Dear Senator Estes:

SUBJECT: Fiscal Note for SB 328 by Senators Hensley and Denning

In accordance with KSA 75-3715a, the following fiscal note concerning SB 328 is respectfully submitted to your committee.

SB 328 would prohibit any state agency from entering into any agreement or taking any action to outsource or privatize any operations or facilities of any correctional institution or juvenile correctional facility that is operated by a state agency without prior authorization from the Legislature. The bill would allow the Department of Corrections to renew agreements for services at a correctional facility or juvenile correctional facility that are substantially the same as existing agreements prior to January 1, 2018. SB 328 would allow the Department of Corrections to enter into an agreement for services at a correctional facility or juvenile correctional facility with a different provider if the agreement is substantially similar to an agreement for services in existence prior to January 1, 2018. The bill would take effect upon its publication in the *Kansas Register*.

The Department of Corrections states enactment of SB 328 would affect all aspects of facility operations, including support and ancillary services. The agency indicates language, which requires future contract renewals to be "substantially similar" to contracts entered into prior to January 1, 2018, would restrict the agency's ability to modify the scope of contracted services to account for changes in federal requirements, improvements in technology, changing correctional standards, and changes to inmate programs and health care. Any fiscal effect associated with SB 328 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Linda Kelly, Corrections