

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1865 - HB 2181**

February 8, 2018

**SUMMARY OF BILL:** Establishes a fund for the Department of Correction (DOC) to disperse one-time grants to supplement the funds for local reentry programs that have been proven to reduce recidivism rates for four counties that meet certain criteria.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$2,000,000/FY18-19/Dedicated Grant Fund**

**Increase State Expenditures – \$2,000,000/FY18-19/General Fund**

**\$1,500,000/FY18-19/Dedicated Grant Fund**

**\$250,000/FY19-20/Dedicated Grant Fund**

**\$250,000/FY20-21/Dedicated Grant Fund**

**Increase Local Revenue – \$1,500,000/FY18-19**

**\$250,000/FY19-20**

**\$250,000/FY20-21**

Assumptions:

- Pursuant to the preamble clause for this legislation, it is the intent of the General Assembly that a non-recurring sum of \$2,000,000 be appropriated to the DOC in the FY18-19 general appropriations act for the sole purpose of making grants to fund a three-year successful reentry program in four counties that meet the requirements of this legislation.
- The proposed legislation requires the DOC to make four grants of \$500,000 to local county sheriffs or probation departments to fund reentry programs that reduce recidivism and probation revocations.
- The DOC must develop guidelines for grant proposals for counties with established reentry programs that have proven to reduce recidivism rates.
- This legislation establishes priority for programs that seek a targeted reduction in recidivism or probation revocations. All reduction numbers must be based on data from the previous three years.
- An upfront grant payment of \$375,000 will be made to the county that is awarded the grant, and once that county has met clearly measureable outcomes indicating that they

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have reduced their recidivism rate, the remaining \$125,000 will be awarded. It is assumed that the applicable local entities will reduce recidivism sufficiently to be awarded the \$125,000 portion of the grants.

- The DOC will administer the funds and can accommodate this within their existing resources.
- The total increase in state expenditures from the General Fund in FY18-19 to the dedicated DOC fund is estimated to be \$2,000,000 (4 grants x \$500,000). As a result, there will be an increase in state revenue to the dedicated grant fund estimated to be \$2,000,000 in FY18-19.
- Four grant payments of \$375,000 will be paid from the dedicated grant fund in the first year (FY18-19). Therefore, the increase in state expenditures from the dedicated grant fund in FY18-19 is estimated to be \$1,500,000 (\$375,000 x 4).
- Two local entities are assumed to qualify for the second portion of the grant in FY19-20 and the other two entities are assumed to qualify for the second portion of the grant in FY20-21. Therefore, the increases in state expenditures from the dedicated grant fund are estimated to be \$250,000 in each FY19-20 and FY20-21 respectively.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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