

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 5753**  
**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

DATED: JUNE 17, 2021

**SUMMARY**

**Synopsis:** Requires request for proposal to establish project to evaluate and make recommendations for realignment of correctional facilities and other efficiency measures.

**Type of Impact:** A one-time expenditure increase to the State General Fund.

**Agencies Affected:** Department of Corrections.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>One-Time</u></b>
<b>State Cost Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) estimates a one-time expenditure for the purposes of developing a Request for Proposal (RFP) by the Department of Corrections (DOC) as required by this bill. The cost would largely be driven by the additional administrative work and time to develop a proposal to determine eligibility for participation in a wide array of projects, including but not limited to, the closure and consolidation of State correctional facilities; the repair of existing infrastructure at State correctional facilities; and overtime pay to staff at State correctional facilities. It is unclear if the development of an RFP would result in overtime hours worked by certain staff members at the DOC. The OLS does not have sufficient information to determine the exact expense to the State.

**BILL DESCRIPTION**

This bill requires the Commissioner of Corrections to develop a request for proposal for the purpose of determining eligibility for participation in a project to evaluate and make recommendations for: the closure and consolidation of State correctional facilities; the repair of existing infrastructure at State correctional facilities as well as cost-effective alternatives to any necessary repairs; the reduction, reassignment, or both, of staff at State correctional facilities; changes in the provision of benefits, including, but not limited to, overtime pay to staff at State correctional facilities; the adoption of energy efficiency measures at State

correctional facilities; and the adoption of other efficiency measures to reduce operational costs at State correctional facilities.

The bill requires the commissioner to establish guidelines for its approval of an application to participate in the project. Upon developing a request for proposal, the commissioner is to issue the request for proposal in a form and manner determined by the commissioner. The commissioner may approve more than one application for participation in the project, provided that the total number of approved applications collectively achieve the purposes of the project. The commissioner is to oversee, coordinate, and provide assistance to the project.

The bill requires the request for proposal to require applicants intending to participate in the project to submit to the commissioner certain information as described in the bill. The request for proposal is to give preference to applicants that are nonprofit organizations and that have demonstrated expertise in the development of prison downsizing strategies.

Upon the commissioner's approval of an application to participate in the project, the commissioner is to require the approved applicant to enter into an agreement with the commissioner that is to contain certain information as described in the bill.

The bill requires the commissioner to report, within 18 months of the effective date of the bill, to the Governor and the Legislature, on the results of the establishment of the project and post a copy of that report on the Department of Correction's Internet website.

The bill authorizes the commissioner to seek and accept gifts, donations, grants, or loans from private or public sources for any purposes of this act, including, but not limited to, any federal funding to be provided for the purposes of the project, except that the commissioner is not to accept a gift, donation, grant, or loan that is subject to conditions that are inconsistent with any other law of this State.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates a one-time expenditure increase for the DOC associated with developing an RFP. The cost would largely be driven by the additional administrative work and time to develop a proposal to determine eligibility for participation in a wide array of projects, including but not limited to, the closure and consolidation of State correctional facilities; the repair of existing infrastructure at State correctional facilities; and overtime pay to staff at State correctional facilities. It is unclear if the development of an RFP would result in overtime hours worked by certain staff members at the DOC.

RFPs are used for complex projects, often requiring a number of sub-contractors. They describe the organization issuing the RFP, the scope of the project being undertaken, and the criteria for evaluating entries. They also outline the bidding process and the contract terms. The requests include a statement of work describing the tasks to be performed by the winning bidder and the timeline for finishing the work. RFPs also advise bidders on how to prepare proposals, with specific guidance on how the bids should be formatted and presented. They generally include instructions on what information the bidder must include and the desired format. The bill details some but not all of these guidelines for developing an RFP by the DOC.

The bill is unclear on the exact role of the DOC Commissioner with respect to overseeing, coordinating, and providing assistance to the projects. Based on information provided by the DOC during the FY 2022 budget hearing, some aspects of the bill may be ongoing. According to the DOC commissioner's budget testimony, the FY 2022 budget includes \$175,000 for a custody overtime/staffing consultant study intended to provide recommendations on overtime reductions. Also, \$1.3 million was included in the FY 2022 budget for the consulting services of The Moss Group, a correctional consulting firm, specializing in safety solutions for justice-involved women. The commissioner's budget testimony for FY 2022 also pointed out that there was a population decrease of over 30 percent between January 2020 and January 2021, the William H. Fauver Youth Correctional Facility is anticipated to close in FY 2022, and the DOC continues to seek efficiencies when possible. It is unclear how these ongoing or anticipated projects would impact the RFP process. The OLS does not have sufficient information to estimate the one-time costs of developing the RFP required by the bill.

*Section:*            *Judiciary*

*Analyst:*        *Anuja Pande Joshi*  
                      *Associate Research Analyst*

*Approved:*      *Thomas Koenig*  
                      *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).