



Ohio Legislative Service Commission

Garrett Crane

Fiscal Note & Local Impact Statement

Bill: H.B. 82 of the 131st G.A.

Date: April 29, 2015

Status: As Introduced

Sponsor: Rep. Hambley

Local Impact Statement Procedure Required: No

Contents: Private operation and management of a local correctional facility that houses felon inmates

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- Potential savings effect for certain counties and municipalities that opt to contract for the private operation and management of a local correctional facility that houses felon inmates.

Detailed Fiscal Analysis

The bill specifies the circumstances under which counties and municipalities are permitted to contract for the private operation and management of a local correctional facility that houses felon inmates. Under current law, unchanged by the bill, before a public entity can enter into such a contract certain conditions have to be met, including the requirement that the contractor demonstrate that it can operate the facility at a cost that is at least 5% less than the projected cost of the public entity to operate the same facility.¹

Currently, Columbiana County is the only local jurisdiction that contracts for the private operation and management of a jail that houses felon inmates. The contract is with Community Education Centers to operate and manage the 190-plus bed Columbiana County Jail. According to a county official, the contracted cost per bed is around \$70, which translates into an annual savings for Columbiana County of around \$1 million a year.

¹ R.C. 9.06(A)(4).

The bill primarily will affect full-service and minimum security jails, the majority of which are operated by a county or group of counties.² In addition to Columbiana County, there are another 79 of Ohio's 88 counties that may be able to utilize the bill's permissive authority to privatize one or more local correctional facilities. As noted, existing law requires the contract result in a savings of at least 5% from what it would have cost the local jurisdiction to operate and manage the facility.

HB0082IN.docx / lb

² A full-service jail houses unsentenced felons and misdemeanants as well as offenders who have received a sentence of less than a year for a misdemeanor offense or a low-level felony offense. Minimum security jails function similarly to full-service jails except that inmates must be sentenced for a misdemeanor or a felony of the fourth or fifth degree and classified as a minimum security risk.