

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis

Original Updated Corrected

2. Administrative Rule Chapter, Title and Number

DOC 313

3. Subject

Rewriting Chapter DOC 313, relating to Prison Industries

4. Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

5. Chapter 20, Stats. Appropriations Affected

20.410(1)(km)

6. Fiscal Effect of Implementing the Rule

No Fiscal Effect Increase Existing Revenues Increase Costs
 Indeterminate Decrease Existing Revenues Could Absorb Within Agency's Budget
 Decrease Cost

7. The Rule Will Impact the Following (Check All That Apply)

State's Economy Specific Businesses/Sectors
 Local Government Units Public Utility Rate Payers
 Small Businesses **(if checked, complete Attachment A)**

8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes No

9. Policy Problem Addressed by the Rule

The new rules remove the four personal days that inmates were allowed to utilize per quarter. It also codifies current practice that agricultural inmate employees are exempt from overtime pay. Other major changes include changing the code to active voice, clarifying performance evaluation standards, and allowing the prison industry to establish work rules instead of the Prison Industries Board.

10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

There should be no impact for the private sector or public sector as most of the major changes including changing the code to active voice, performance evaluations of inmates, and allowing the prison industry to establish work rules instead of the Prison Industries Board will only effect the Department of Corrections (DOC). Additionally, the reduction in inmate workers pay on holidays and Sundays that results in an estimated \$1,200 a year in labor cost savings will not allow the prison industries to be more competitive as this amount will be negligible once it is spread across many prison industries.

11. Identify the local governmental units that participated in the development of this EIA.

No local government units were needed to participate in the development of this statement because this relates solely to prison industries run by the state which have no effect on local government.

12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

The proposed rule change is anticipated to have no significant adverse or material economic impact on small businesses. The Department determined this rule would not adversely affect in a material way the economy, a sector of the economy, productivity, jobs, or the overall economic competitiveness of the state.

Additionally, the reduction in inmate workers pay on holidays and Sundays that results in an estimated \$1,200 a year in labor cost savings will not allow the prison industries to be more competitive as this amount will be negligible once it is spread across many prison industries.

ADMINISTRATIVE RULES
Fiscal Estimate & Economic Impact Analysis

13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The benefits of the new rules are that it removes the four personal days that inmates were allowed to utilize per quarter. It also codifies current practice that agricultural inmate employees are exempt from overtime pay. Other major changes include changing the code to active voice, clarifying performance evaluation standards, and allowing the prison industry to establish work rules instead of the Prison Industries Board. No alternatives have been identified.

14. Long Range Implications of Implementing the Rule

The changes allow for more decisions to be made at the prison, which could theoretically result in improved efficiency at each prison industry. Changes to update administrative code with current policy will have no long range effect. Additionally, the \$1,200 inmate labor cost savings will be negligible once it is spread across multiple prison industries.

15. Compare With Approaches Being Used by Federal Government

Inmate pay will be in line with FLSA standards that require 1.5 pay rate for over forty hours. Additionally, not providing overtime pay to inmate workers on farms is also in line with FLSA standards. However, Wisconsin does not pay its inmate workers minimum wage.

16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

In most cases, requirements vary moderately between the adjacent states and those of Wisconsin as proposed. Some states do not have prison industries board and give more discretion to each facility. For a detailed analysis, please refer to the proposed rule-making order submitted by the Department associated with this rule.

17. Contact Name	18. Contact Phone Number
Jake Jokisch	608-240-5415

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ADMINISTRATIVE RULES
Fiscal Estimate & Economic Impact Analysis

ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
 - Less Stringent Schedules or Deadlines for Compliance or Reporting
 - Consolidation or Simplification of Reporting Requirements
 - Establishment of performance standards in lieu of Design or Operational Standards
 - Exemption of Small Businesses from some or all requirements
 - Other, describe:
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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
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