

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4370H.02I
 Bill No.: HB 1616
 Subject: Department of Corrections; Boards, Commissions, Committees, and Councils;
 Prisons and Jails
 Type: Original
 Date: January 16, 2026

Bill Summary: This proposal establishes the "Independent Office of Corrections and Transparency" and provisions relating to Department of Corrections Oversight.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	(Unknown, greater than \$500,000)	(Unknown, greater than \$500,000)	(Unknown, greater than \$500,000)
Total Estimated Net Effect on General Revenue	(Unknown, greater than \$500,000)	(Unknown, greater than \$500,000)	(Unknown, greater than \$500,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	Unknown	Unknown	Unknown
Total Estimated Net Effect on FTE	Unknown	Unknown	Unknown

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§217.025, 217.165, 218.010, 218.015, 218.017, 218.018, 218.019, 218.020, 218.035, 218.040, 218.050, 218.055, 218.060, and 218.065 - Department of Corrections Ombudsman and Department of Corrections Oversight Committee

Officials from the **Department of Corrections (DOC)** state this proposal establishes the “Independent Office of Corrections and Transparency” and provisions relating to Department of Corrections oversight.

Section 218.015 creates the Independent Office of Corrections Transparency. The Independent Office of Corrections Transparency will be comprised of two sections – inspection section and complaints investigation section. It will have the authority to provide information to incarcerated people, correctional staff, family members of the incarcerated and staff; monitor conditions in correctional centers and assess department’s compliance with applicable federal, state, and local rules, regulations and policies; establish a statewide uniform reporting system to collect and analyze data; promulgate reasonable rules and regulations for the administration and enforcement of this chapter; gather stakeholder input; inspect each department facility; investigate incidents within the department facilities either on the office’s own initiative or pursuant to a complaint; and publicly issue periodic facility inspection reports, annual report with recommendations and summary of data and recommendations arising from any complaints investigated.

There is the potential for significant fiscal and operational impact to the department in the tracking and reporting of information currently not captured that may be requested, as well as time needed to respond to inquiries made by the Independent Office of Corrections and Transparency. There is no way of knowing exactly how many additional FTE will be required to fulfill these duties. Therefore, the fiscal impact to this legislation is unknown.

Oversight does not have any information contrary to that provided by DOC. Therefore, Oversight will reflect DOC’s (unknown, greater than \$250,000) impact for the tracking and reporting of information as well as time needed to respond to inquiries made by the Independent Office of Corrections and Transparency.

Officials from the **Office of Administration - Budget and Planning** defer to the **Department of Corrections** for the potential fiscal impact of this proposal.

Officials from the **Office of Administration (OA)** state that based on language in Chapter 218, FMDC assumes there will be an impact for the office space required for the ombudsperson position. Based on 250 square feet at \$21/sq ft and janitorial at \$2.47/ sq ft and utilities at \$2.80/ sq ft, OA/FMDC estimates the cost of the office space to be \$6,567.50 in FY27.

Oversight assumes based on the provisions of the proposal, that the Independent Office of Corrections and Transparency would require two (2) employees and office space to fulfil the duties outlined in the legislation. Therefore, Oversight will reflect an unknown cost greater than \$250,000 which includes FTE, fringe benefits, and E/E associated with this proposal.

Officials from the **Missouri Senate (SEN)** anticipate a negative fiscal impact to reimburse two senators for travel to serve on the Corrections Oversight Committee.

The SEN assumes meetings will be held in Jefferson City during the interim. The average of the total round trip miles for current sitting senators is 255 miles and the current mileage rate, as set by the Office of Administration is \$0.70 cents per mile. Therefore, the SEN estimates a total cost for senator mileage of approximately \$357. The SEN assumes no fiscal responsibility for the other committee members.

Oversight does not have any information to the contrary. Oversight assumes the SEN can absorb the minimal fiscal impact for this proposal within existing funding levels and will reflect no fiscal impact for this agency.

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **Office of the Governor (GOV)** state this bill adds to the Governor's current load of appointment duties. Individually, additional requirements should not fiscally impact the Office of the Governor. However, the cumulative impact of additional appointment duties across all enacted legislation may require additional resources for the Office of the Governor.

Officials from the **Office of the State Auditor** assume the proposal will have no fiscal impact on their organization. Any impact can be absorbed through current appropriations.

Officials from the **Department of Health and Senior Services, Department of Mental Health, Department of Natural Resources, Department of Labor and Industrial Relations, Department of Public Safety - Office of the Director, Missouri House of Representatives, City of Kansas City, Phelps County Sheriff's Department, Kansas City Police Department, and St. Louis County Police Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities, counties, and local law enforcement were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – DOC (§§217.025-218.065) Tracking and reporting of information; respond to inquiries p.3</u>	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)
<u>Cost – Independent Office of Corrections and Transparency (§§217.025-218.065) FTE, fringe benefits, E/E p.4</u>	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)	(Unknown, greater than \$250,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Unknown, greater than \$500,000)	(Unknown, greater than \$500,000)	(Unknown, greater than \$500,000)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

DEPARTMENT OF CORRECTIONS (Sections 217.025, 217.165, 218.010, 218.015, 218.017, 218.018, 218.019, 218.020, 218.035, 218.040, 218.050, 218.055, 218.060, and 218.065)
 This bill creates a public hearing and comment period for the appointment of the Director of the Department of Corrections (DOC) by the Governor. Correctional staff will be included in the hiring process for institutional and administrative staff.

This bill establishes the "Independent Office of Corrections and Transparency". The office must operate with a maximum of two full-time employees.

The Office will consist of an inspection section and a complaints investigation section and will have the authority to:

- (1) Provide information to inmates, family members of inmates, and staff regarding the rights of inmates and staff;
- (2) Monitor conditions of confinement and assess Department compliance with State and Federal rules and regulations;
- (3) Provide technical assistance to support inmates and staff;
- (4) Assist local governments in the creation of jail oversight bodies;
- (5) Establish a statewide uniform reporting system to collect and analyze data related to complaints received by the Department;
- (6) Promulgate rules and regulations to enforce the provisions of the bill;
- (7) Establish procedures to gather stakeholder input into the Office's activities and priorities;
- (8) Inspect each DOC facility at least once annually, and each facility where the Office has found cause for more frequent inspection or monitoring at least twice annually;
- (9) Issue periodic inspection reports and an annual report;
- (10) Investigate incidents in DOC facilities;
- (11) Hire staff and secure space and equipment as necessary;
- (12) Contract with experts as needed;
- (13) Oversee the operations of the Office; and
- (14) Prepare a budget.

The Office will have reasonable access, upon demand, to all Department facilities and to programs for incarcerated people at reasonable times. This authority includes the ability to interview inmates and staff of correctional institutions. The purposes of interviews and allowable methods for conducting them are specified in the bill. The Office has the right to access records and documents of DOC that the Office considers necessary to an investigation. The Office will have subpoena power to this end. A timeline for fulfilling records requests is provided in the bill. The Office must work with the Department to minimize disruption to its operations.

Correspondence between the Office and incarcerated people and staff will be confidential and not considered a public record for the purpose of Missouri Sunshine Law. The Office will establish rules to ensure the confidentiality of complainants before, during, and after an investigation.

The Office will produce an annual report by December 31st each year, to be made available to the public and delivered to the Governor, the Attorney General, the General Assembly, and the Director of the Department of Corrections. The requirements for the contents of the annual report are provided in the bill, but include inspection and investigation reports and recommendations for improvements to DOC facilities and programs.

The bill also establishes a "Corrections Transparency Committee". Membership includes:

- (1) Two members of the Senate appointed by the President Pro Tem and who are not of the same political party;
- (2) Two members of the House of Representatives appointed by the Speaker and who are not of the same political party; and
- (3) Several members, as specified in the bill, who are appointed by the Governor.

The Committee must be established by January 1, 2027. The term length for members is provided in the bill.

The Committee must hold at least one public hearing each year to discuss the Office's inspections, findings, reports, and recommendations. The Committee must also meet quarterly to discuss findings of the Office as the Committee determines relevant. The Committee can, in its discretion or upon request from the Office, issue findings, recommendations, and policy and legislative proposals.

The Committee will be given the same access to facilities, records and individuals within those facilities, as the Office. The Committee will have the power to subpoena Department records and staff only in the event that the position of Transparency Advocate is vacant. Accompanied by the Office, the Committee must schedule planned visits to two correctional facilities during each calendar year. The Committee must appoint a Transparency Advocate, to serve a term of six years. The Transparency Advocate can be removed for good cause by a majority vote of the Committee.

The Office must periodically inspect each Department facility and each correctional facility and release a public report by August 28, 2028. Inspections will include assessments of Department policies and conditions, as specified in the bill. Upon completion of an inspection, the Office will produce a public report describing its findings. Contents of the report are provided in the bill. Upon completion of an inspection, the Office must assign the facility a safety and compliance classification, as provided in the bill. Tiers within this classification system are provided in the bill and will determine the frequency of inspections in the future. The DOC must respond to each inspection report in writing and create corrective action plans to address problems flagged in the reports.

The Office can initiate an investigation on its own initiative or based on a complaint from an incarcerated person, an inmate's representative, a family member, or correctional staff. Procedures for investigations are specified in the bill. The office cannot levy fees for its services and may refer the complaint to appropriate resources or State or Federal agencies. At the conclusion of an investigation of a complaint the Office will render a public decision on the complaint, and communicate the decision to the inmate, if applicable, and the Department.

If the Office requests, the Department will inform the Office in writing about any action taken based on the Office's recommendations, or reasons for not complying with those recommendations. If the Office believes there has been or is a significant health, safety, welfare, or rehabilitation issue, the Office must report its findings to the Governor, the Attorney General, the General Assembly, and the Director of the Department of Corrections. The DOC must not retaliate against any person for filing a complaint.

The Office must create an online form to be made available on its website wherein family members, friends, and advocates can submit complaints and inquiries regarding specified issues on behalf of inmates. A similar form will be developed for inmate use. Upon receipt of a form, the Office will confirm receipt, determine whether an investigation is warranted, and provide a written statement regarding its decision to the complainant.

The Office must also create a telephone hotline through which complaints and inquiries on behalf of inmates can be filed. Correspondence with the Office will be confidential. The Office will establish rules and procedures for confidentiality.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Department of Corrections
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Labor and Industrial Relations
Department of Public Safety - Office of the Director
Joint Committee on Administrative Rules
Missouri House of Representatives
Missouri Senate
Office of Administration
 Budget and Planning
 Facilities Management, Design and Construction
Office of the Governor
Office of the Secretary of State
Office of the State Auditor
City of Kansas City
Phelps County Sheriff's Department
Kansas City Police Department
St. Louis County Police Department



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January 16, 2026



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