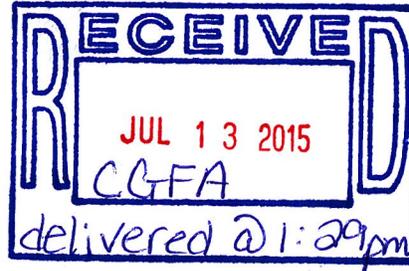


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July 9 2015

Mr. Jared Brunk
Budget & Finance,
Illinois Department of Corrections
Via e-mail: Jared.Brunk@doc.illinois.gov



Dear Mr. Brunk:

I have reviewed the information that has been sent to me by your colleague Bryan Gleckler and your additional commentary about the potential economic impact of the closure of the Hardin County Work Camp. It would be difficult to conduct a meaningful economic impact on Southern Illinois since most of the direct effects involve relocation. For example, current employees and inmates would be redistributed throughout the system with the majority being relocated within Southern Illinois. Current expenditures to maintain the existing facility would be transferred, perhaps with some modest reductions as a result of realizing some scale economies.

In essence, there would be a small variation in the current level of expenditures – the only difference would be in the location from which these expenditures are made. If current employees remain in their existing residences, then the geography of expenditures from their wages and salaries would likely remain unchanged. Looking at the impacts from the perspective of Southern Illinois, there would be no additions or reductions – merely a reallocation.

The cancelation of the contract to rent a portable kitchen and gas supply (\$138K/year) would not have an impact locally because the current vendor is in Naperville.

Hence, my summary evaluation is that the impact would have small net impacts, too small to show up in an economic model.

With all good wishes

Geoffrey J.D. Hewings,
Director

Emeritus Professor: Economics, Geography, Institute of Government & Public Affairs, Urban & Regional Planning and Agricultural & Consumer Economics