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State of Illinois
COMMISSION ON GOVERNMENT
FORECASTING AND ACCOUNTABILITY
703 Stratton Ofc. Bldg., Springfield, IL 62706
217/782-5320 Fax: 217/782-3513
<http://www.ilga.gov/commission/cgfa2006/home.aspx>

HOUSE
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Co-Chairman

Patricia Bellock
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Elaine Nekritz
Raymond Poe
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January 13, 2010

MEMORANDUM

TO: The Honorable Patrick Quinn, Governor, State of Illinois
The Honorable John Cullerton, President of the Senate
The Honorable Michael Madigan, Speaker of the House of Representatives
The Honorable Christine Radogno, Minority Leader of the Senate
The Honorable Tom Cross, Minority Leader of the House of Representatives
The Honorable Jesse White, Secretary of State
Michael P. Randle, Director Illinois Department of Corrections

RE: Advisory Opinion of the Commission on Government Forecasting and Accountability Regarding the Closure of Thomson Correctional Center

The Commission met on Wednesday January 6, 2010 at 1:00 p.m. to take final action on the proposed closure of Thomson Correctional Center, and to accept or reject the recommendation for closure submitted by the Department of Corrections for that facility. The Commission, on a vote of 7-4, accepted the recommendation by the Department of Corrections to close the Thomson Correctional Center in Thomson, Illinois. A copy of the resolution to accept the recommendation for closure and the vote tally is attached.

INTRODUCTION AND BACKGROUND

The Department of Corrections officially notified the Commission on Government Forecasting and Accountability of the intent to close Thomson Correctional Center on November 25th, 2009. The State Facilities Closure Act (30 ILCS 608/5-10) states that "In the case of a proposed closure of: (i) a prison, youth center, work camp, or work release center operated by the Department of Corrections; (ii) a school, mental health center, or center for the developmentally disabled operated by the Department of Human Services; or (iii) a residential facility operated by the Department of Veterans' Affairs, the Commission must require the executive branch officers to file a recommendation for closure. The

recommendation must be filed within 30 days after the Commission delivers the request for recommendation to the State executive branch officer.”

The Department of Corrections submitted the required recommendation for closure on November 25th, 2009, along with the closure notification document. The State Facility Closure Act requires that the Commission conduct a public hearing regarding the closure of a prison no later than 35 days after the filing of the recommendation. The statutorily required public hearing was held on December 22, 2009 beginning at 2:00 p.m. at the Sterling High School Centennial Auditorium in Sterling, Illinois. Over 50 individuals testified at the hearing which adjourned at 9:15 p.m.

The Commission met on January 6, 2010 at 1:00 p.m. to take final action regarding the closure of Thomson Correctional Center. Representative Elaine Nekritz made a motion to accept the proposed closure of Thomson Correctional Center in Thomson, Illinois. The Commission also suggested that the Department of Corrections seek to address capacity issues, especially at Level 1 and 2 facilities, in subsequent closure actions.

The motion was seconded by Representative Al Riley. Senator Bill Brady then moved to table the motion, which was seconded by Representative Patricia Bellock. The motion to table failed on a 4-7 roll call vote. The motion to accept the recommendation for closure passed 7-4.

FISCAL/ECONOMIC ISSUES

Thomson Correctional Center was completed on November 2, 2001 at a total cost of \$128.8 million. Since the facilities completion, funds have not been appropriated in any fiscal year to fully open Thomson Correctional Center. At capacity, Thomson has the ability to house 1,600 maximum security inmates, as well as, a 200 bed minimum security unit. The Department of Corrections estimates that the cost to fully operate Thomson would be more than \$54 million annually.

The Commission carefully reviewed the economic data in relation to the proposed closure of Thomson Correctional Center. The Northwestern portion of Illinois is faced with historical highs in unemployment. The latest information from the Illinois Department of Employment Security places Carroll County with an unemployment rate of 11.6%. Likewise, the five surrounding counties that border Carroll County; Jo Davies, Stephenson, Ogle, Lee, and Whiteside counties have an average unemployment rate of 11.6%. A study done by the President's Council of Economic Advisors found enormous economic benefits to opening Thomson as a Federal correctional facility. The major findings of the study state that:

- The total increase in expenditures in the area over the first four years of operation through construction, operation costs, compensation, and visitors to the area is between \$0.9 billion and \$1.1 billion.
- In the first year, the modification, opening, and running of the facility will generate between 2,290 and 2,960 jobs in the seven-county area. Local residents will be

excellent candidates for 1,240 to 1,410 of these jobs. The other jobs will be filled by people relocating to the area. In this first year, total earnings will increase by between \$131 million and \$185 million.

- In the second year, the operation of the facility will generate between 2,820 and 3,520 jobs in the seven-county area. By the third year, when the BoP facility is fully operational, the facility will generate between 3,170 and 3,870 jobs in the seven-county area. Local residents will be excellent candidates for 1,720 to 1,920 of these on-going jobs generated by the facility. By the third year, earnings will increase by between \$233 million and \$289 million, relative to current levels.
- The ongoing increase in employment reflects jobs created by yearly capital improvements (490-560 jobs), direct hires (1,900-2,400 jobs), jobs created by visitors to the area (280 jobs), and indirect jobs due to increased spending and economic activity (510-640 jobs by the fourth year). In addition, start-up costs that occur in both the first and second year as well as one-time construction costs generate a substantial number of year-long jobs (840-910 jobs).
- Over the first four years, the 840 - 910 temporary jobs and the eventual 3,180 - 3,880 ongoing jobs generated by the facility are expected to increase local earnings by a cumulative \$793 million to \$1,015 million.

The Commission requested that the Rural Economic Technical Assistance Center (RETAC), Illinois Institute for Rural Affairs at Western Illinois University examine the Council of Economic Advisors technical memo. The RETAC response identified areas of concern regarding the suitability of certain expenditures as local inputs and values attributed to certain aspects of indirect employment and earnings. However, on the whole, the study's methodology, region of analysis, data, and results were found to be reasonable and appropriate. Upon final consideration, RETAC agreed that the opening of Thomson as a Federal corrections facility will result in significant positive benefits to the regional economy.

COMMUNITY SUPPORT

The Commission received letters of support from most communities and jurisdictions that would be affected by the closure of Thomson Correctional Center, and the subsequent reopening of Thomson as a Federal Bureau of Prisons facility. The resolutions and letters of support were from but not limited to the Village of Hanover, City of Fulton, City of Rockford, City of Freeport, Carroll County Board, City of Galena, and the City of Thomson. In addition, many other civic and non for profit organizations supported the initiative including the Hanover Chamber of Commerce, Chicago Regional Council of Carpenters, Dixon Area Chamber of Commerce, the Carroll County Comprehensive Economic Development Strategies Committee, the Highway 30 Coalition, Jo-Carroll Depot Local Redevelopment Authority, and the Greater Sterling Development Corporation. This overwhelming level of support for the opening of Thomson as a Federal institution reinforces the Commission's understanding of the need for economic improvement in that regional area.

CAPACITY ISSUES

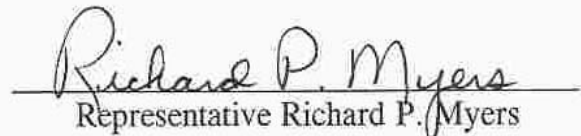
The Commission expressed concerns with overcrowding in existing correctional facilities. Safety at Illinois correctional facilities should be the highest priority of the Department. While the department contends that the rates of incarceration have leveled off in recent years, it doesn't erase the fact that the current system is overcrowded. The Department's own reports show that the overall prison system is at 129% capacity. If the Department plans to present additional closures to the Commission under the State Facility Closure Act, the Commission strongly suggests that the Department of Corrections and Office of the Governor address both overcrowding and staff safety issues, especially at Level 1 & 2 facilities.

CONCLUSION

After seven hours of extensive testimony and discussion with over fifty witnesses, a majority (7) of the appointed members to the Commission on Government Forecasting voted to accept the Department of Corrections recommendation to close Thomson Correctional Center. The Commission thoroughly reviewed the documents submitted by the Department of Corrections, and documents from interest groups on both sides of the issue. The Commission documented the economic benefits of opening the Thomson Correctional Center as a Federal prison to the economically depressed areas of Northwestern Illinois. In conjunction with the Commission's acceptance of the Department of Corrections recommendation for closure, the Commission strongly encourages the Governor's office in regard to any future closure considerations to take into account prisoner overcrowding and the impact on prison staff, especially at level I and II facilities. Taking these important issues into consideration, the Commission believes that it is in the best interests of the State of Illinois to accept the recommendation for closure proposed by the Department of Corrections.



Senator Jeffrey M. Schoenberg
CGFA Co-Chairman



Representative Richard P. Myers
CGFA Co-Chairman

JMS/RPM:dkb

S191 VERSION 2 CGFA Opinion Closure Thomson Correctional Center

**MOTION TO ACCEPT THE RECOMMENDATION FOR CLOSURE OF THE
THOMSON CORRECTIONAL CENTER**

Pursuant to State Facility Closure Act (30 ILCS 608), after hearing testimony regarding the proposed closure of Thomson Correctional Center in Thomson, Illinois, Representative Nekritz moves that the Commission on Government Forecasting and Accountability accept the recommendation for closure submitted by the Illinois Department of Corrections regarding the Thomson Correctional Center. The Commission would also suggest that the Department of Corrections seek to address capacity issues, especially at Level 1 and 2 facilities, in subsequent closure actions.

Motion: Representative Elaine Nekritz

Motion Second: Representative Al Riley

Roll Call: 7-4

*MOTION TO ACCEPT
CLOSURE* : M. NEKRITZ
: 2ND RILEY

COMMISSION MEMBERS ROLL-CALL
THOMSON CORRECTIONAL CENTER
FACILITY CLOSURE HEARING

Meeting Date: Wednesday, January 6, 2010 – 1:00 p.m.

***Room 349 (CDB Board Room) Stratton Ofc. Bldg., Springfield, IL**

***subject to change**

Room 9-040, James R. Thompson Center, Chicago, IL

	ATTENDANCE		V O T E		
	Present	Absent	YES	NO	Present
Representative Patricia Bellock (R)				X	
Senator Bill Brady (R)				X	
Senator Michael Frerichs (D)			X		
Representative Kevin McCarthy (D)					
Senator Matt Murphy (R)				X	
Representative Richard Myers (R)			X		
Representative Elaine Nekritz (D) <i>MOTION MADE</i>			X		
Representative Raymond Poe (R)				X	
Representative Al Riley (D) <i>2ND MOTION</i>			X		
Senator Jeffrey Schoenberg (D)			X		
Senator Dave Syverson (R)			X		
Senator Donne Trotter (D)			X		
Attendance / Vote					

7-4

MOTION TO TABLE : 1st Brady
2nd Bellock

COMMISSION MEMBERS ROLL-CALL
THOMSON CORRECTIONAL CENTER
FACILITY CLOSURE HEARING

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***Room 349 (CDB Board Room) Stratton Ofc. Bldg., Springfield, IL**

***subject to change**

Room 9-040, James R. Thompson Center, Chicago, IL

	ATTENDANCE		V O T E		
	Present	Absent	YES	NO	Present
Representative Patricia Bellock (R) 2nd NO MOTION			X		
Senator Bill Brady (R) MOTION MADE			X		
Senator Michael Frerichs (D)				X	
Representative Kevin McCarthy (D)					
Senator Matt Murphy (R)			X		
Representative Richard Myers (R)				X	
Representative Elaine Nekritz (D)				X	
Representative Raymond Poe (R)			X		
Representative Al Riley (D)				X	
Senator Jeffrey Schoenberg (D)				X	
Senator Dave Syverson (R)				X	
Senator Donne Trotter (D)				X	
Attendance / Vote					

4-7