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NOW

BGR's Spotlight on Local Government Issues

Budget Agreement between City and Sheriff

Critical to Solving Chronic Problems at New Orleans Jail

As the City of New Orleans (City) prepares its 2024 budget in the coming weeks, it should resolve a long-running disagreement with the Orleans Parish Sheriff's Office over funding for the parish jail. The dispute flared anew last fall when the Sheriff's Office requested an increase of \$12.4 million in its City funding, or about 20%. The office said it needed the money to offset chronic underfunding and comply with court-ordered jail reforms. The City Council allowed the Sheriff's Office to give pay raises to improve staff retention. But the council rejected the bulk of the request, citing concerns about the office's financial transparency and accountability. As an alternative, the Sheriff's Office asked Orleans Parish voters in April 2023 for an \$11.7 million property tax increase. Voters overwhelmingly rejected it.

BGR's 2022 report, [Keys to the Jail](#), documents how past funding disputes and a lack of collaboration between the City and Sheriff's Office have contributed to long-standing problems at the jail.¹ Recently, City Council members raised concerns about an increase in violence among persons in custody, including stabbings and arsons.² The Sheriff's Office linked the incidents to understaffing and a growing jail population. Resolving these latest challenges will, like many other problems at the troubled jail, require the City and Sheriff's Office to reach agreement on the jail's needs and set an appropriate funding level.

Improving jail conditions is essential to ensure the safety and security of persons in custody and the effective use of taxpayer dollars. The City's \$62.7 million allocation to the jail in 2023 is the third largest line item in its General Fund budget after the police and fire departments.

The jail is under a federal consent decree, or court-en-

forced legal settlement, that dates to 2013. The decree requires the Sheriff's Office to implement sweeping reforms to comply with constitutional standards for jail operations.³ These include increasing staffing levels, providing intensive employee training, and improving medical and mental health care for those in custody. Providing adequate funding – which is primarily the City's responsibility – is essential to achieve these mandates.⁴ Under orders from the federal court, the City completed a two-year effort to double its annual funding in 2015. Those increased resources, combined with the court's appointment of a corrections expert to run the jail in 2016, helped drive a sharp increase in the jail's compliance rate with the mandated reforms, as shown in the chart on the next page. However, since the court returned control of daily operations to the previous Sheriff in 2020, the compliance rate has steadily declined from 68% to 46% – far below the level needed to end the consent decree.⁵

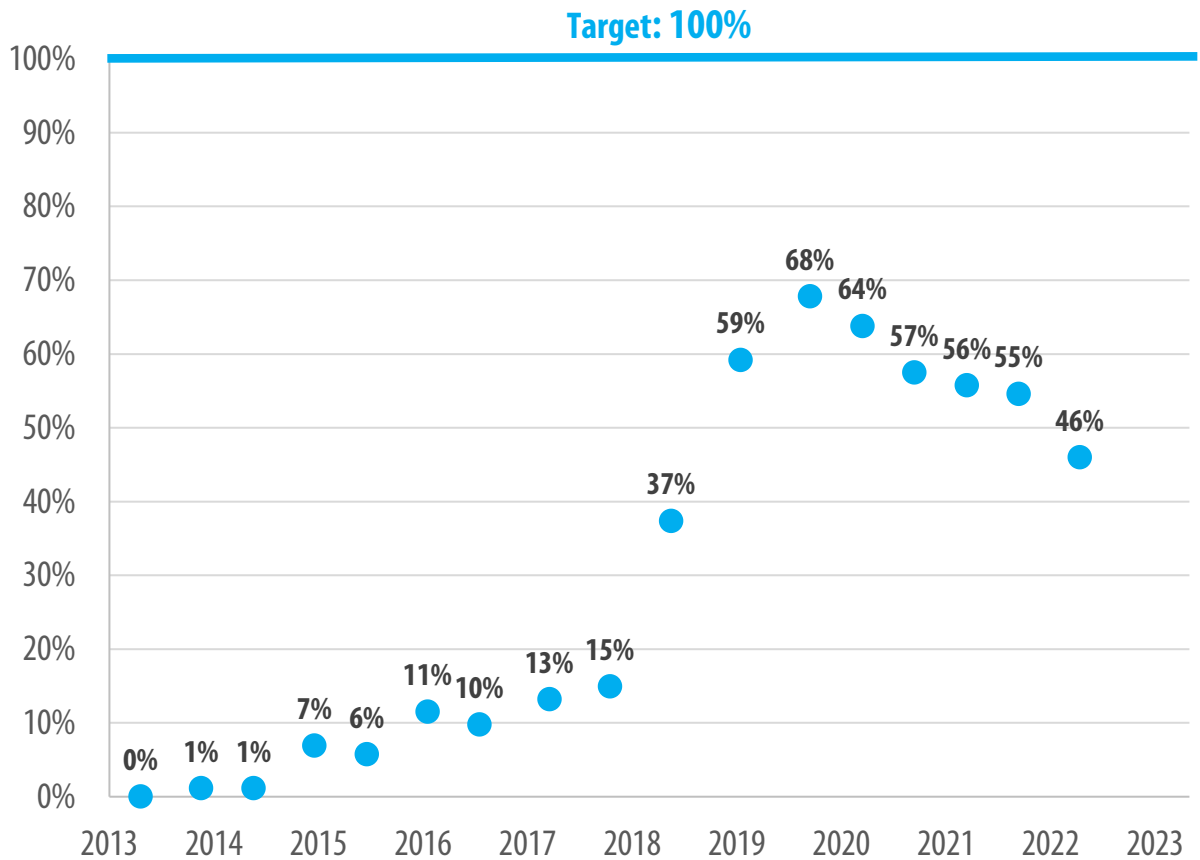
LIMITED PROGRESS ON JAIL FUNDING

The City and the Sheriff have made limited progress in reaching agreement on the jail's needs and adjusting funding accordingly. Last fall, the council allowed the Sheriff's Office to increase wages for all hourly employees by \$2.43 per hour, or about \$5,000 a year. However, the council did not appropriate any money to cover the \$3.3 million annual cost of the raises. Instead, it is relying on the office's reserves to cover those costs initially. As the reserves are depleted, the council plans to increase the City's allocation to cover the costs.

On the capital side, the City is spending \$3.9 million to replace the 40-year-old jail management computer system

NEW ORLEANS JAIL COMPLIANCE WITH CONSENT DECREE REFORMS, 2013 TO 2022

Percentage of Court-Mandated Reforms in Substantial Compliance



Source: Report No. 17 of the Independent Monitors, *Jones v. Gusman*, No. 12-859 (E.D. La. July 3, 2023), pp. 7-8. This is the most recent available monitors' report at the time of publication.

as part of a \$30 million, federally funded, multi-agency, information technology modernization for the Orleans Parish justice system.⁶ The Sheriff's Office emphasizes this is a small portion of the jail's overall capital and technology needs. The City administration says it wants to consider the jail's capital needs in the context of other justice system needs and priorities.⁷

Meanwhile, major new capital and operating costs for the jail lie ahead. The City faces sharply rising costs to build a court-ordered facility for persons in custody with mental and medical health care needs. The City's cost estimate for the so-called Phase III project has more than doubled to \$109 million in the last two years.⁸ Once construction is complete, the City will face undetermined new costs to staff the facility.

RECOMMENDATIONS FOR DEVELOPING THE JAIL'S 2024 BUDGET

These financial challenges underscore the importance of reaching an agreement on the jail's budget. BGR's recent research on the jail charts a path to help the City and Sheriff's Office resolve their budgetary differences and right-size jail funding. That research supports the following recommendations for crafting the jail's 2024 budget:

1. **The Sheriff's Office should support its 2024 funding request with detailed staffing, compensation and capital plans so the City and public can assess what the jail needs to be successful.**

The Sheriff's Office has said it needs additional revenue for employee compensation, training and capital improvements to help bring the jail into compliance with the consent decree. The office

has provided evidence that low pay and benefits contribute to understaffing and limit progress toward improving jail conditions. However, in its requests for additional funding from the City and voters, the office did not provide staffing or compensation plans to show how it would use the additional revenue. Such information is necessary for the City and public to assess the jail's needs and provide a basis for holding the Sheriff's Office accountable for how it uses City funding. In a sign of progress, the Sheriff recently presented a summary of a jail staffing analysis to the City Council's budget committee. The office should make the full report available to the council and public to help them assess staffing needs.

2. The City administration and City Council should commit to funding the jail's demonstrated needs and provide an explanation for rejecting any portion of the Sheriff's funding request.

Federal courts have repeatedly found the City's jail funding to be inadequate over the decades and ordered the City to increase its allocations. The City has at times been reluctant to provide more funding because it lacks a clear accounting of how the Sheriff's Office uses the money. In preparing the 2024 budget, City officials should carefully review the Sheriff's funding request and supporting documentation. They should request any additional information they needed to determine an appropriate funding level for the jail. As a public accountability measure, both the administration and the council should explain their rationale for rejecting any elements of the Sheriff's funding request.

3. The City administration and the Sheriff's Office should collaborate and share information well in advance of the City Council's budget hearings.

The City's home rule charter directs the City administration to share information with and evaluate budget requests from outside agencies, such as the Sheriff's Office.⁹ Both parties should strive for cooperation and consensus in that process, which is playing out now.¹⁰ They should not wait until the City Council's budget hearings to share essential information. The budget hearings typically occur in early November. That is less than a month before the December 1 deadline for the City Council to approve the final budget. Given past problems reaching consensus on the jail budget, it is important that the City and Sheriff's Office devote sufficient time and effort to resolving their differences.

4. The City administration, City Council and Sheriff should seek to meet any new jail needs through the City's General Fund, which has advantages over a property tax increase as a means of solving the jail's funding problems.

In April 2023, more than 90% of New Orleans voters rejected a Sheriff's Office proposal to nearly double an existing property tax to generate an additional \$11.7 million for the jail. BGR opposed the tax proposition, in part, because the office did not present a complete plan for how it would use the revenue.¹¹ The proposal also lacked meaningful public accountability, both for the Sheriff's future use of tax revenue and the City's obligation to provide sufficient funding for the jail.

BGR's research also showed that a dedicated tax has shortcomings as a jail funding mechanism. Citizens generally lack direct knowledge of conditions at the jail – a facility that, by definition, is closed to the public. Because of this, voters are not in a good position to understand the jail's funding needs or hold the Sheriff's Office accountable for how it spends the tax revenue. In general, these tasks should fall to the City as it sets the annual allocation to the jail from its General Fund.

Going through the City's budgeting process has other benefits over a tax, which can lock property owners into paying a fixed amount for the duration of a millage, regardless of need. A General Fund allocation makes it easier to scale funding levels up or down as necessary. This is especially important as the jail's population and staffing needs continue to fluctuate. Finally, budget hearings help make elected officials – the mayor, the City Council, and the Sheriff – accountable to the public for the steps they take to improve the jail's performance. While voters soundly rejected the proposed property tax increase, this is not necessarily a mandate against increasing jail funding from another source, such as the City's General Fund, to meet a demonstrated need.

Ultimately accomplishing these goals will take sustained cooperation between the City and the Sheriff to execute their shared responsibility for the parish jail. The new jail management system and the informal agreement last fall on raises for hourly employees were signs of progress. The two parties should build upon this common ground and reach an agreement on jail funding. This is an essential step toward improving conditions at the jail and ending more than 50 years of federal oversight and investigation.

ENDNOTES

- 1 Bureau of Governmental Research (BGR), [*Keys to the Jail: How New Orleans Can Sustain Jail Reforms through Better Governance*](#), August 2022.
- 2 See the following articles: Wilkinson, Missy, “[City council members demand answers in burgeoning jail crisis](#),” *The Times-Picayune* | Nola.com, September 22, 2023; Wilkinson, Missy, and Gabriella Killett, “[Jail supervisors stage walkout after inmates start fires, fling feces, OPSO says](#),” *The Times-Picayune* | Nola.com, September 20, 2023; and Wilkinson, Missy, “[In New Orleans jail stabbing, alleged I-10 murderer hid shank in trash](#),” *The Times-Picayune* | Nola.com, September 14, 2023.
- 3 For a history of the consent decree, see BGR, *Keys to the Jail*, pp. [16-17](#).
- 4 Louisiana law requires the City, in its role as the general government for Orleans Parish, to provide a “good and sufficient jail.” La. R.S. 33:4715. The City provides about 80% of the jail’s annual funding through appropriations from its General Fund. The balance comes from the Sheriff’s dedicated property tax and limited funding from the State of Louisiana. BGR, *Keys to the Jail*, p. [12](#).
- 5 The jail was in substantial compliance with 46% of 174 mandated reforms as of December 2022, according to a report that court-appointed jail monitors released in July 2023. This was the first report issued during the tenure of the current Sheriff, who took office in May 2022. This marked the fifth consecutive drop in the compliance rate since May 2020, when the rate was 68%. The jail must achieve and maintain substantial compliance with all reforms for two years to end the consent decree.
- 6 BGR, [*On the Ballot: Orleans Parish Sheriff’s Office Tax, April 29, 2023*](#), p. 8.
- 7 Ibid.
- 8 BGR, [*BGR NOW: BGR Supports Review of Design and Cost Concerns for Planned Jail Facility*](#), July 11, 2023.
- 9 City of New Orleans Home Rule Charter, Sec. 6-102.
- 10 City of New Orleans Chief Administrative Office, Circular Memorandum No. 23-06.
- 11 BGR, [*On the Ballot: Orleans Parish Sheriff’s Office Tax, April 29, 2023*](#).

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