



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

FY 2004-05 Year-to-Date Gross Appropriation	\$1,768,907,800
---	-----------------

Changes from FY 2004-05 Year-to-Date:

Items Included by the Senate and House

- | | |
|--|-------------|
| 1. Additional Beds. 1,352 new Level 1 and 2 beds are added at the following facilities: Kinross, Ojibway, Cotton, Parnall, Gus Harrison, Lakeland, Pine River, Riverside, and St. Louis. The budget also provides full-year funding for beds only partially funded in FY 2004-05 at Camp Lehman and the Oaks Correctional Facility. | 18,326,100 |
| 2. Restoration of FY 2004-05 Employee Concessions. The bill recognizes the end of savings related to banked leave time and restores the funding to the base. | 46,342,500 |
| 3. Economic Adjustments. The budget includes increases for insurances, retirement, and building occupancy charges as well as savings in workers compensation. | 53,414,200 |
| 4. Other Changes. The budget also includes a number of other changes that provide a net savings of \$1,536,200. | (1,536,200) |

Conference Agreement on Items of Difference

- | | |
|---|--------------|
| 5. Michigan Youth Correctional Facility. The Conference Committee retains \$17,840,700 in funding for the management and lease contracts for the facility, which is \$1.0 million less than in the current year to encourage contract renegotiation and savings. | (1,000,000) |
| 6. Newberry/Manistique. The Conference Committee keeps both the Newberry Correctional Facility and Camp Manistique open. | 0 |
| 7. Residential Services. The Conference Committee increases the per diem for residential services beds from \$43 per day to \$47.50 per day. | 1,597,400 |
| 8. New Initiatives to Control Prison Growth. The Conference report does not include \$3.0 million in community corrections grants to assist local governments in dealing with proposed sentencing guidelines revisions, which have not been approved. It does, however, add \$8.0 million for prisoner reintegration programs. | 8,000,000 |
| 9. Substance Abuse Testing and Treatment. The Conference Committee recognizes \$1,093,400 in additional Federal substance abuse funds but reduces GF/GP by \$518,500. | 574,900 |
| 10. Health Care. The Conference Committee reduces the funding for Hepatitis C by \$1,000,000 and eliminates a \$300,000 surplus in vaccinations. | (1,300,000) |
| 11. Supplementary Operational Expenditures. The Committee transfers \$3,250,000 in dry cleaning allowance, \$10,590,700 in annualized savings to compensate for salary economics, and \$4,000,000 in new jail capacity grants to a new \$17,840,700 supplementary operational expenditures line. | 4,000,000 |
| 12. Contract Savings. The Conference Committee recognizes negotiated savings in contracts and insurance and retirement rates. | (19,129,600) |
| 13. Other Changes. The Committee also takes \$750,000 in food service savings, but adds \$500,000 for Project Joshua and \$500,000 for a prison facility evaluation. | 250,000 |

Total Changes.....	\$109,539,300
--------------------	---------------

FY 2005-06 Conference Report Gross Appropriation	\$1,878,447,100
--	-----------------

Amount Over/(Under) GF/GP Target: \$17,840,700

Changes from FY 2004-05 Year to Date:Conference Agreement on Items of Difference

1. **Communication with the Legislature.** The Conference Committee concurs with the Senate to prohibit disciplinary action against employees for communicating with the Legislature. (Section 206)
2. **Deprived and Depressed Communities.** The Conference Committee concurs with the House to delete language encouraging contracts with businesses from deprived and depressed communities.
3. **Michigan Produce.** The Committee includes a section encouraging the purchase of Michigan produce. (Section 214)
4. **Michigan Prisoner Reentry Initiative.** The Conference Committee combines Senate and House reporting requirements for new prisoner reintegration programs. (Section 407)
5. **Offender Tracking Information System (OTIS).** The Conference Committee concurs with the Senate to require the DOC to maintain public access to the files of former offenders in the same manner as current offenders. (Section 408)
6. **Michigan State Industries (MSI) Textile Expansion.** The Committee concurs with the Senate to require a study of an expansion of MSI into the private textile market for goods not currently being produced in Michigan. (Sec. 410)
7. **Recidivism Rates.** The Conference Committee includes target language requiring a plan for reducing recidivism rates, recidivism data for the last five years, and a national comparison of recidivism rates. (Section 411)
8. **Michigan Youth Correctional Facility.** The Conference Committee includes reporting requirements on MYCF programs (Section 506), language encouraging the renegotiation of the MYCF contract to achieve greater savings and operate the facility at a more efficient/appropriate security level (Section 508), and a section requiring DOC to share with MYCF staff and prisoners training and materials on prison rape elimination (Section 509).
9. **Assaultive Offender Program.** Requires statewide waiting list and program placement prior to parole eligibility. (510)
10. **Other New Data Sections.** The Conference Committee also keeps new data gathering sections on probation and parole violators (Section 405(4)), criminal history of offenders who max out (Section 409), substance abuse program objectives and results (Section 503(3)), DOC cooperation with DCH reports on mental health and substance abuse services (Section 504), and youthful offenders in the criminal justice system (Section 511).
11. **Parole/Probation Special Operations.** The Conference Committee includes language for Project Joshua which would reimburse law enforcement agencies with jurisdiction in Detroit for escorts to parole/probation agents on after hours visits. (Section 608)
12. **Office of Community Corrections (OCC) Program Reports.** The Conference Committee adds reporting requirements for a number of OCC programs for which reports were not previously required. (Section 709)
13. **Prison Education Programs.** The Conference Committee keeps increased reporting requirements on prison education programs (Section 1010) and includes target language on plans to improve and keep better data on DOC-provided GED programs (Section 1011).
14. **Prison Store Surcharge.** The Conference Committee does not include a section added by the House charging a 35% surcharge on prison store goods and directing the revenue to the Michigan State Police (MSP) budget.
15. **Facility Security.** The Committee keeps House language ensuring a sufficient number of custody staff to maintain the safety and security of facilities as well as a Senate report of the number of critical incidents and assaults by facility. (Section 1013)
16. **Female Prisons.** The Conference Committee keeps Senate language which requires the removal of male staff from female housing units, designation of someone in each facility to ease the complaint process, and referral of all claims of criminal conduct to the MSP. (Section 1014)
17. **Supplementary Operational Expenditures.** The Committee adds intent that funds in this new line be used to offset costs of salary increases, contractual obligations to pay dry cleaning allowances, and jail capacity grants. (Section 1015)

Date Completed: September 19, 2005

Fiscal Analyst: Bethany Wicksall