



Senate Fiscal Agency
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BILL



ANALYSIS

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[House Bill is H.B. 4328](#)

FY 2013-14 Senate-Passed Gross Appropriation.....	\$2,020,377,600
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House Changes to Senate-Passed:

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| <p>1. New Employee Training School. The Governor proposed an increase for this item of \$9.0 million in one-time GF/GP funding, which the House rejected. The Senate cut 40% from both the base and the one-time funds, for a total decrease of \$7.2 million GF/GP.</p> | (1,834,000) |
| <p>2. Statewide Wireless/Broadband Internet. The Governor proposed investing \$678,200 (\$655,000 GF/GP) in statewide broadband and wireless internet expansion and the Senate concurred; the House rejected this increase.</p> | (678,200) |
| <p>3. Public Safety Initiative. The House removed \$250,000 GF/GP from this line item and diverted it into a new line item titled Second Chance Employment – Goodwill's oil filter recycling project (no change in overall funding). The Senate decreased the Public Safety Initiative line item by \$2.5 million.</p> | 2,500,000 |
| <p>4. Post-Closure Maintenance. The Governor proposed \$634,100 GF/GP to fund maintenance at closed facilities; the House concurred and Senate rejected this increase.</p> | 634,100 |
| <p>5. Internal Adjustment Increase Rejection. The Governor included a variety of internal adjustments netting to zero; the House concurred with these adjustments. The Senate concurred with most of the adjustments, but rejected the increase to the following four line items (all GF/GP): Woodland Correctional Facility (\$6,667,300), Special Alternative Incarceration (\$2,295,700), Operations Support Administration (\$1,956,900), and Transportation (\$7,023,100).</p> | 17,943,000 |
| <p>6. Food Service. The Senate reduced the food service line item by \$2.2 million; the House did not include this reduction.</p> | 2,189,400 |
| <p>7. Michigan State Industries (MSI). The Senate decreased funding for MSI by \$2.7 million (\$0 GF/GP); the House did not include this decrease.</p> | 2,677,600 |
| <p>8. Legacy Cost Separation. The Senate reflected 42.75% legacy costs as two separate line items; \$158.2 million for health care legacy cost and \$179.8 million for pension legacy cost. Equivalent amounts were deducted from the individual line items containing classified FTEs; no overall Gross or GF/GP impact. The House did not adopt this alternative bill structure.</p> | 0 |

Total Changes	\$23,431,900
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FY 2013-14 House-Passed Gross Appropriation.....	\$2,043,809,500
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Changes from FY 2013-14 Senate-Passed:

1. **Deletions.** Senate deleted the following sections that the House retained: Secs. 207, 211(2-3), 237, 402(3), 404, 405a, 406, 414(6), 424, 430, 431, 504, 604, 809, 905, 921, 923, 935, 937, 940, 943, 945, 946, 1009, & 1011. House deleted the following sections that the Senate retained: Secs. 238, 239, 433, & 601(2).
2. **Special Equipment Fund – Programming.** Senate requires the report to also list the name of the vendors the products or services were purchased from. House requires \$2.0 million from the fund to be used for education and programming, particularly for those past their earliest release date. (Sec. 219)
3. **GF/GP Lapses Report.** Governor changed report transmission date from November 15 to November 30; Senate concurred with this change but the House did not. (Sec. 220)
4. **Contingency Funds.** Governor increased contingency fund transfer authorization for local and state restricted revenue; **House** concurred but the Senate rejected this revision. (Sec. 223)
5. **Cost Saving Strategy Approach.** House added new language requiring the Department to implement and adhere to supply chain transformation (SCT) and continuous quality improvement (CQI) strategies and report on the results of those strategies. Senate did not include these sections. (Secs. 242, 244, and 245)
6. **Joint Evaluation Committee.** House added new language requiring joint evaluation committees to report to legislature on findings related to competitive bids; Senate did not include. (Sec. 243)
7. **Employee Cost Savings Suggestion Report.** Senate retained the program but eliminated the report. House retained current law. (Sec. 304)
8. **Military Discharge Documentation.** House added language requiring the Department to assist incarcerated veterans in obtaining a copy of their military discharge documentation. Senate did not include this section. (Sec. 418)
9. **Data to CSG.** House added language requiring the Department to provide data to the Justice Center of the Council of State Governments for their analysis of offender flow; Senate did not include. (Sec. 429)
10. **Agricultural Employment.** House added language requiring the Department to collaborate with Michigan colleges on programs to employ parolees in agricultural settings; Senate did not include. (Sec. 434)
11. **New Employee Training at Colleges.** Senate stated intent that the Department work with community colleges and colleges interested in offering new employee training academies; House did not include. (Sec. 506)
12. **Per Diem Calculations.** Senate required the Department to calculate and report per prisoner/per day cost for each custody level, both with and without legacy costs included; House did not include. (Sec. 904)
13. **Facility Closure Study.** House added language requiring the Department to conduct a local impact study, a cost analysis, and to notify the legislature 90 days before recommending a closure; Senate did not include. (Sec. 921)
14. **Mentally Ill in Segregation.** Current law states mental ill prisoners held in therapeutic seclusion must be evaluated every 12 hours or at a frequency defined in the mental health code, whichever requires more frequent monitoring. Senate struck that language and replaced with "every 8 hours." House retained current law. (Secs. 924 and 929)
15. **Competitive Bidding.** Senate added new language requiring the designation of an individual to answer questions legislators and the public have about competitive bid processes and added new language requiring the competitive bidding of the electronic monitoring center and requests for information regarding prisoner clothing manufacturing and a secure detention center with job training programming. Senate also requires that any contract that allows a for-profit business to utilize state-owned property must pay fair market value for the use of the property and make payments in lieu of taxes to the local jurisdiction(s). House did not include these additions, but did retain current law contained in Sec. 939. (Secs. 938, 939, and 940)
16. **Prisoner Clothing Manufacturing – Pilot.** House added language allowing the Department to divert 15% of funds used internally for prisoner clothing production to a non-profit agency that intends to employ parolees; Senate did not include. (Sec. 947)
17. **Legislative Corrections Ombudsman.** House and Senate added the Ombudsman to the list of recipients of legislative reports in a number of sections, although the Senate made this revision in more sections than the House.

Date Completed: 4-30-13

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