



Senate Fiscal Agency
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Senate Bill 197 (as introduced)
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is House Bill 4328](#)

FY 2012-13 Year-to-Date Gross Appropriation \$2,018,515,900

Changes from FY 2012-13 Year-to-Date:

- 1. **Medicaid Expansion Savings.** Expanded eligibility would result in an estimated 80% of inmates and parolees attaining Medicaid eligibility for covered services outside of secure facilities. This would generate savings (all GF/GP) for off-site services such as inpatient hospitalization of inmates, and substance abuse and mental health treatment for parolees. Amount reflects three-quarters of full-year savings. (24,212,200)
- 2. **New Employee Training School.** Funding of \$9.0 million GF/GP would provide for training 400 new corrections officers to fill vacancies; would roughly double capacity. 9,032,500
- 3. **Housing Adjustments and Unfunded FTEs.** Detroit Re-Entry Center was opened in October 2012 and staffing needs were 8.8 FTEs (\$881,400 GP/GP) greater than originally estimated, and a housing unit conversion at Alger added beds but non-custody costs such as food and health care were not accounted for and an increase of \$506,200 GF/GP was required. 225.5 vacant, unfunded FTEs were eliminated from the bill (no funding change); and 18.0 unfunded FTEs were added to facilities line items to Re-Entry services. 1,387,600
- 4. **Food Service IDG Adjustment.** MDOC has agreements with MDHS and MDCH to provide food service to those Departments when MDOC operates a neighboring facility. Both agreements would have no GF/GP impact. 99,700
- 5. **IT and Security Increases.** Software licensing required \$250,900 GF/GP and statewide wireless and broadband internet expansion required \$678,200 (\$655,000 GF/GP). Special Equipment Funds from telephone contract revenue were used to fund upgrades to personal protection systems (\$6.0 million Gross, \$0 GF/GP). 6,929,100
- 6. **Post-Closure Costs.** Funds would allow MDOC to do maintenance on closed facilities including Standish Correctional Facility and Camps Kitwen, Manistique, and Ottawa. 634,100
- 7. **Roll-ups and Internal Adjustments.** Governor proposed consolidating several line items in the areas of operations support administration and health care. Governor also included a variety of internal adjustments (no overall gross or GF/GP impact) that included removing \$25.6 million from health care, \$19.7 million from prisoner re-entry, and \$9.0 million from leased beds, while adding \$159,200 to unclassified salaries, \$42.2 million to facility line items, \$6.3 million to food service, and \$7.0 million to transportation. 0
- 8. **Retiree Rehire Savings.** Public Act 432 of 2012 authorized MDOC to rehire recently retired corrections officers on a part-time basis without mandating they suspend their retirement benefits; \$10.0 million in savings in the bill is associated with extending or eliminating the sunset clause that would end this authorization at the end of FY 2012-13. 0
- 9. **Remove One-Time.** Employee lump sum funding of \$13.2 million (\$12.9 million GF/GP), \$1.1 million GF/GP in IT projects, and \$17.6 million (\$0 GF/GP) in Special Equipment Fund security projects contained in a supplemental were removed. (31,955,400)
- 10. **Economic Adjustments.** Includes \$6,670,200 Gross and \$6,524,300 GF/GP for OPEB and \$42,206,500 Gross and \$41,299,100 GF/GP for other economic adjustments. 48,876,700

Total Changes \$10,792,100

FY 2013-14 Governor's Recommendation \$2,029,308,000

The changes show the differences between the schedule of programs proposed by the Governor and prior-year line items.

Changes from FY 2012-13 Year-to-Date:

1. **Definitions.** Thirty-four definitions were eliminated from the bill, ranging from simple acronyms such as SSA means "the United States social security administration", to broader definitions for concepts such as recidivism or cost per prisoner. Only three definitions would remain in the bill: administrative segregation, the Department or MDOC meaning Michigan Department of Corrections, and serious mental illness. (Sec. 5-203)
2. **Deletions.** The Governor proposed the elimination of the majority of the current-year boilerplate; the approximately 83 sections or subsections proposed for elimination include: 202, 204, 204a, 206, 207, 208, 209, 211(2 & 3), 212, 214, 215, 217, 224, 236, 237, 238, 239, 301 (from P.A. 305 of 2012), 304, 305, 402, 404, 405, 405a, 406, 407, 410(1 & 2), 411, 412, 413, 414(6), 415, 417, 418, 419, 420, 422, 424, 429, 430, 431, 433, 503, 504, 505, 601, 604, 606, 608, 611, 612, 613, 615, 802, 804, 806, 807, 809, 812, 814, 816, 907, 910, 911, 912, 913, 916, 921, 923, 925, 930, 935, 936, 937, 939, 940, 941, 942, 943, 945, 946, 1009, and 1011. The deletions include a variety of reporting requirements, statements of legislative intent, and guidance on certain programs.
3. **Special Equipment Fund.** Governor revised and shortened the language regarding the revenue from prisoner telephone services, known as the Special Equipment Fund. The section would no longer state that fee schedules for prisoner telephone calls should be the same as calls placed outside correctional facilities, except surcharges necessary for special equipment. The reporting requirement was also removed. (Sec. 5-219)
4. **Contingency Funds.** Governor increased contingency fund authorization for State restricted funds from \$5.0 million to \$10.0 million and local funds from \$2.0 million to \$4.0 million. (Sec. 5-223)
5. **Legal Services Funding.** Governor added a new section which states that funds shall not be used to hire individuals to provide legal services in areas that are the responsibility of the Attorney General. (Sec. 5-230)
6. **Department Scorecard Website.** Governor added a new section which requires MDOC to maintain a publicly-accessible website that tracks performance metrics. (Sec. 5-231)
7. **Inmate Housing Fund.** Governor revised to eliminate language stating that savings in the fund shall be achieved through competitive bidding; instead the language now states that funds in the inmate housing fund are for costs not specifically budgeted for elsewhere in the article. (Sec. 5-905)
8. **Public Works Intent.** Governor deleted the first sentence of the section which states legislative intent that the MDOC maintain or expand public works programming. The second part of the section would remain, which requires those contracting for public works to be responsible for financing the entire costs of such an agreement. (Sec. 5-906)
9. **Mentally Ill in Segregation.** Governor revised section to include the qualifier "due to serious mental illness" after the statement that prisoners with serious mental illness shall not be confined in administrative segregation. The requirement that those in therapeutic seclusion are monitored at least every 12 hours was also eliminated, although the section would continue to require monitoring at a frequency set forth in the mental health code. (Sec. 5-924)
10. **Less than 19 Mentally Ill or Emotionally Disturbed in Segregation.** Governor revised section to add the qualifier "due to serious mental illness or serious emotional disturbance" after the statement that these individuals shall not be placed in administrative segregation. As in Sec. 5-924, the "at least every 12 hours" requirement was eliminated but the evaluation frequency would be that which is set forth in the mental health code. (Sec. 5-929)
11. **Capital Outlay.** New language states that capital outlay funding shall be carried forward at year-end. (Sec. 5-1001)

Date Completed: 2-19-13

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