



Senate Fiscal Agency
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Senate Bill 764 (S-1 as passed by the Senate)
 Committee: Appropriations

FY 2013-14 Year-to-Date Gross Appropriation \$2,056,646,800

Changes from FY 2013-14 Year-to-Date:

- 1. **Span of Control Lengthening.** Senate increased the span of control for efficiency of supervisors at the Northern, Southern, and Central administrative facilities with an expected savings of \$1,140,000 Gross and GF/GP. (1,140,000)
- 2. **Reduction in Funding of Michigan State Industries.** Senate reduced funding to industries program which \$6,148,700 Gross, \$0 GF/GP is eliminated from the MDOC budget. (6,148,700)
- 3. **Healthcare Related Items.** The Governor included a new treatment protocol for prisoners with Hepatitis C treatment \$4,900,000 GP/GP. The Senate has placed a \$100 placeholder for this item. Governor also proposed \$1,482,300 Gross, \$1,233,500 GF/GP for health care administration and training. The Senate rejected these proposals. 100
- 4. **Facilities, Central Records, and Education Adjustments.** Governor increased funding for two on-going activities. One request is IT upgrades for sentence time calculation enhancements, \$500,000 GF/GP, and the other is central facility maintenance projects, \$600,000 GF/GP. Governor has recommended \$4,295,300 Gross and GF/GP for education enhancement. All rejected by the Senate. 0
- 5. **Restorative Justice and Correctional Reform Initiative.** Senate proposal will transition away from facilities which far exceed their useful life. This process will begin with a prisoner housing redeployment and is projected to lead to a 20% savings from current department practices. 100
- 6. **Deployment of Regionalization Strategies and Diversion Strategies.** Governor and Senate expanded leased bed space from local county sheriff departments, \$4,000,000 GF/GP, and increased funding by \$449,000 for the utilization of local resources for the prosecution of crimes committed on MDOC grounds; and invested \$1.0 million Gross and GF/GP for a post-release diversion program. 5,449,000
- 7. **Expansion of Technology in Parole/Probation Staff.** Governor and Senate proposed use of on-going as well as an initial one-time funding to allow technology upgrades for parole/probation agents to spend more of their time in the field, \$1,023,000 GF/GP. 1,023,000
- 8. **Healthy Michigan Savings.** Governor and Senate recognized savings from expanded eligibility resulting from 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. (19,080,800)
- 9. **Final Neal et al. Settlement Payment.** This is the final year of the Neal et al. lawsuit settlement payment which is \$25,000,000 for the final period instead of the \$20,000,000 in prior years. The payment has been moved to one-time from on-going in order to recognize the conclusion of the settlement funding. The payment is due to Plaintiffs for systematic sexual harassment, sexual assault, and retaliation inflicted by male MDOC personnel. 5,000,000
- 10. **Removal of Departmental Accounting Items and Administrative Adjustments.** Governor and Senate removed one-time appropriation for custody staff training ~\$9.0 million GF/GP, eliminated uncollected Restricted funds, \$15,541,300 Gross, \$0 GF/GP, and removed food-service legacy costs \$8,167,100 Gross and GF/GP. Senate removed prior year lapses of \$12,453,900 Gross and GF/GP were removed; added IDG to DHS \$3,000,000 Gross and GF/GP, and \$4,500,000 GF/GP for Goodwill flip the script program. (37,694,900)
- 11. **Economic Adjustments.** Included a negative \$8,198,800 Gross and a negative \$8,013,800 GF/GP for OPEB and \$30,045,800 Gross and \$29,226,000 GF/GP for other economic adjustments. 21,847,000
- 12. **Comparison to the Governor's Recommendation.** The Senate is \$24,020,100 Gross and \$17,622,600 GF/GP below the Governor.

Total Changes (\$30,745,200)

FY 2014-15 Senate-Passed Gross Appropriation \$2,025,901,600

Changes from FY 2013-14 Year-to-Date:

1. **Definitions.** Twenty definitions were eliminated from the bill, ranging from simple acronyms such as GED means "general educational development certificate", to broader definitions for concepts such as recidivism or cost per prisoner. Fifteen definitions remain in the bill with such terms as: administrative segregation, residential substance abuse treatment, and Medicaid benefit. One definition added was for MDHS meaning the Michigan Department of Human Services (Sec. 5-203). The Senate restored all of these cuts.
2. **Deletions.** Governor eliminated the majority of current-year boilerplate; there are approximately 53 sections or subsections eliminated which include: 206, 207, 212, 214, 219, 238, 239, 245, 304, 305, 402, 405, 407, 410(1 & 2), 411, 412, 413, 417, 418, 419, 420, 431, 434, 506, 601, 608, 611, 612, 615, 802, 806, 807, 809, 814, 816, 904, 907, 910, 911, 912, 913, 916, 925, 937, 939, 940, 942, 947, 1009, 1011, 1201, and 1202. Deletions include a variety of reporting requirements, statements of legislative intent, and guidance on certain programs. Senate restored most of these deletions.
3. **Legacy Costs.** Governor and Senate added a new section which states the total legacy costs as well as the separately stated legacy pension and retiree health care costs. (Sec. 5-246)
4. **Mental Health Diversion Council.** Governor and Senate added a new section which directs \$1,000,000 of amount appropriated for the mental health pilot programs to be used in accordance with the directions of the Mental Health Diversion Council. (Sec. 5-421)
5. **Revisions.** Senate changed the span of control from 5 to 8 in the Central, Southern, and Northern administrative facilities (Sec. 5-239). Additionally, Senate made two changes to the administrative segregation language, to avoid risks of Federal consent decrees within MDOC facilities (Sec. 5-924 and Sec. 5-929). Senate changed competitive bidding language which allows any closed facility through a legislative cap to be bid on by both the Department and other secure facilities. (Sec. 5-939)
6. **Areas for Dedication of Financial Savings.** Senate added language to dedicate savings in the Department's budget to early childhood education, K-12 education, higher education, and to local law enforcement entities through revenue sharing with the intent to reduce crime rates. (Sec. 5-204)
7. **Security Levels of Past ERD Prisoners.** Senate adopted language for the Department to submit a report detailing the security levels of all past-ERD prisoners by October 1. (Sec. 5-232)
8. **Legislative Corrections Ombudsman.** Senate created language to prevent any attempt to restrict the ability of the Ombudsman to perform the duties of the position. (Sec. 5-303)
9. **LEAN Process for Past ERD Prisoners.** Senate introduced language for zero-waste processing of prisoner programming to reduce the backlog in past-ERD prisoner population and allow for a temporary staff increase to clear the backlog through the recommendations of the LEAN process. (Sec. 5-403 and Sec. 5-404)
10. **Michigan Rehabilitative Services Interdepartmental Grant.** Senate expanded the service potential of MRS by utilizing cross-department collaboration with the Swift-and-Sure program to reduce potential prisoner intake by using an alternative judicial process. (Sec. 5-406)
11. **Workforce Development Collaboration.** Senate added language requiring the Department to engage with workforce development organizations to ensure that the vocational training and education opportunities in correctional facilities are high-quality, demand driven, locally receptive, and responsive to the needs of communities where the prisoners are expected to reside post release from correction facilities. (Sec. 5-409)
12. **Replacement of Manufactured Goods Procurement Report.** Senate adopted language that will determine the cost of goods procured through the elimination of the industries program. (Sec. 5-503)
13. **Transportation Workgroup.** Senate added language that will see the Department engaged in a workgroup with other State agencies and departments to maximize transportation services while minimizing the funding resources required. (Sec. 5-504)
14. **Stop Orders and Misconduct Reporting.** Senate crafted language that will require the Department to report all misconducts and stop orders by either departmental employees or contracted workers. (Sec. 5-507)
15. **Correctional Facility Quality Assurance Report.** Senate added language comprises a reporting requirement for the Department in which all correctional facilities will be analyzed for infrastructure and safety conditions. The Department shall report metrics associated with the condition criteria in a report by October 1. (Sec. 5-508)
16. **Location of Medically Frail and Disabled Prisoners.** Senate adopted language that will determine the optimal course of action for those medically frail and disabled prisoners to ensure care is maintained while minimizing State costs. (Sec. 5-801)
17. **Standardization of Medical Release Form.** Senate added language that will require the Department to create a standard medical release form which will allow family members to access medical records of those incarcerated. (Sec. 5-803)

Date Completed: 5-9-14

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