



**House  
Legislative  
Analysis  
Section**

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**PAROLE/PROBATION FEES**

**House Bill 4875 (Substitute H-1)  
House Bill 4876 as introduced  
House Bill 4877 (Substitute H-1)  
First Analysis (7-22-93)**

**Sponsor: Rep. Robert Bender  
Committee: Appropriations**

***THE APPARENT PROBLEM:***

According to the House Fiscal Agency, the Department of Corrections budget for fiscal year 1993-94 anticipates \$3.4 million in probation and parole oversight fees as a revenue source. This is said to be roughly the amount that will be collected in the current fiscal year. However, Public Act 181 of 1992, which overhauled the state's parole system, repealed these fees as of October 1, 1993. (The justification, apparently, was that the fees forced department field service workers to spend too much time as collection agents and that the fees, in any case, never provided as much revenue as predicted.) The corrections department budget requires that these fees be revived, but in a significantly revised form, that addresses criticisms of the old system.

***THE CONTENT OF THE BILL:***

The bills, taken together, would put in place a revised system of parole and probation supervision fees, that would include the following elements.

-- Probation and parole supervision fees would be based on the monthly income of the person on probation or parole, up to \$30 per month. (The current fee is set at \$30 per month.) Those with incomes below \$500 per month would pay no fee. Those with incomes of at least \$500 per month but less than \$750 per month would pay \$10. Those with incomes of at least \$750 per month but less than \$1,000 per month would pay \$20. Those with incomes of \$1,000 or more would pay \$30. (These fees would be imposed, in addition to those on probation and parole, to those on probation under "youthful trainee" provisions; to persons under "delayed sentence" orders; and to offenders transferred here from another state under an interstate compact. Persons transferred to another state from here would have the fee waived while in the other state.)

-- The option of making a person perform community service in lieu of paying the fee in cases of financial hardship would be eliminated.

-- The Department of Treasury would be responsible for attempting to collect unpaid balances.

-- Twenty percent of the money collected in fees would be allocated for administrative costs incurred by the Department of Corrections in collecting supervision fees and for "enhanced services." That term would include, but not be limited to, the purchase of services for offenders such as counseling, employment training, employment placement, or education; public transportation expenses related to training, counseling, or employment; enhancement of staff performance through specialized training and equipment purchase; and purchase of items for offender employment. The department would develop priorities for spending for enhanced services in consultation with circuit court judges in the state. At the end of each fiscal year, the unexpended balance of the money allocated for administrative costs and enhanced services would be carried forward to be used in subsequent fiscal years. (The earmarking would not apply to funds collected by the treasury department.)

-- The supervision fee would be paid in the following order of priority in relation to other court-ordered payments: 1) any family support order; 2) an order of restitution or compensation for crime victims; 3) any court-ordered payments for court costs, fines, or attorney fees; 4) the supervision fee; and 5) any other court-ordered payments. (This change would insert the third category; the other four retain their current relative positions.)

House Bills 4875-4877 (7-22-93)

House Bill 4875 would amend the Code of Criminal Procedure (MCL 762.13 et al.). House Bill 4876 would amend the Public Health Code (MCL 333.7411) to apply the probation supervision fee to certain first-time drug offenders. House Bill 4877 would amend the Department of Corrections act (MCL 791.25a and 791.236a).

**POSITIONS:**

The Department of Corrections supports the bills. (7-21-93)

**FISCAL IMPLICATIONS:**

The House Fiscal Agency notes that the fees are intended to raise \$3.4 million for the 1993-94 Department of Corrections budget. Since 20 percent of the fees are earmarked for administrative purposes and certain specified "enhanced services", fee collections would have to total \$4.25 million to fully fund the budget from fees, according to HFA. (7-19-93)

**ARGUMENTS:**

**For:**

The fee bills are part of the 1993-94 fiscal year funding for the Department of Corrections. The parole and supervision fee system has been revised to address certain problems with the current fee system. A sliding scale has been developed to take into account offenders' ability to pay. Unpaid balances would be the responsibility of the Department of Treasury, not probation and parole field workers. The option of community service would be eliminated, in recognition that arranging such service diverted field staff from other duties. A portion of the fees have been earmarked for specific purposes, with priorities set by the department and circuit court judges, so as to increase the incentive for judges to levy the fees and department staff to collect them. The amount of fees anticipated to be collected has been set at a realistic level, which reportedly has not been the case in the past. According to the House Fiscal Agency, only about \$3.5 million of the \$8.1 million the 1992-93 budget anticipated will likely be collected. Without these bills, these fees will expire as of October 1 of this year.

**Response:**

It should be noted that the legislature only recently decided to eliminate these kind of fees (because of their administrative difficulties) with the passage of Public Act 181 of 1992, which revised the parole system.