



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 681 (Substitute S-2 as passed by the Senate)
Sponsor: Senator Loren Bennett
Committee: Judiciary

Date Completed: 1-8-96

CONTENT

The bill would amend the Department of Corrections (DOC) law to authorize the DOC to establish a youth correctional facility to house only prisoners committed to the DOC's jurisdiction who were 19 years of age or less and who were convicted as adults for offenses committed as juveniles. The DOC could establish and operate the youth correctional facility or could contract on behalf of the State with a private vendor for the construction and/or operation of the facility. If the DOC contracted with a private vendor for the facility's operation, it would have to require by contract that the vendor meet requirements specified by the Department regarding security, protection of the public, DOC inspections, programming, liability and insurance, conditions of confinement, and any other issues the DOC considered necessary for the facility's operation.

Before finalizing a contract with a private vendor for the construction or operation of the youth correctional facility, the DOC would have to submit the proposed contract to the legislative standing committees having jurisdiction of corrections issues, the corrections subcommittees of the Appropriations Committees, and the Joint Committee on Capital Outlay. A contract between the DOC and a private vendor for the construction or operation of the youth correctional facility would be contingent upon appropriation of the required funding.

The DOC could not site the facility in a city, village, or township unless the local legislative body adopted a resolution approving the location.

Proposed MCL 791.220g

Legislative Analyst: P. Affholter

FISCAL IMPACT

Assuming that the Department established a youth correctional facility (as opposed to leasing or converting existing space), the estimated capital outlay costs would range from approximately \$20.0 million for a "pole" type facility to \$75.0 million for a more traditional "brick and mortar" prison facility. If the facility were constructed by a private entity, the State would have no construction costs, yet would possibly have increased costs for leasing or increased operational costs.

If one assumed that the facility operated at a capacity of approximately 500, anticipated annual operating costs would range from \$8.4 million to \$20.8 million depending on the amount of programming, and staffing levels provided at the facility. For example, the boot camp program, with increased programming and more intensive staffing patterns, is nearly twice as expensive to operate as a "normal" multilevel prison. If the facility were operated by a private entity, the operational costs would be determined by the contract agreed to by both parties.

The DOC currently incarcerates offenders aged 19 and under in existing prison facilities under current law. As of December 1994, there were 1,317 prisoners 19 years old and under incarcerated at primarily three facilities. Under the bill, however, the proposed youth facility would house only juvenile offenders tried and convicted as adults until age 19.

Fiscal Analyst: M. Hansen

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.