



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4955 (as passed by the House)
Sponsor: Representative James McNutt
House Committee: Judiciary and Civil Rights
Senate Committee: Families, Mental Health and Human Services

Date Completed: 5-2-96

CONTENT

The bill would amend the State Correctional Facility Reimbursement Act to include in the Act's definition of "cost of care" the cost to the Department of Corrections for providing college-level classes or programs to prisoners. Currently, the term includes the cost of providing transportation, room, board, clothing, security, medical, and other normal living expenses of prisoners. (Under the Act, the Attorney General is required to seek reimbursement for the State's expense for a prisoner's cost of care, if the Attorney General has good cause to believe that the prisoner has sufficient assets to recover at least 10% of the estimated cost of care of the prisoner or 10% of the estimated cost of care of the prisoner for two years, whichever is less.)

MCL 800.401a

Legislative Analyst: L. Burghardt

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the State. The Department of Corrections currently uses a calculated "average cost" per prisoner for determining the amount to be used for collecting reimbursement under the Act. This average cost currently does not include the cost for providing college programming. Although college programming expenditures for prisoners totaled nearly \$1.8 million during FY 1994-95, since prisoners enroll and drop out, transfer to other institutions, or get paroled during a semester, it is difficult to calculate an average cost per prisoner. Assuming that the bill would result in reimbursement from all prisoners participating in the college programs, in theory, the State could realize additional collections under the Act of \$1.8 million annually. Actual collections would likely be less depending on the State's ability to collect from eligible prisoners, and the method of reimbursement used by the Department of Corrections for calculating average costs per participant (per contact hour, per class, per completion, etc.). As comparison, total collections under the Act in FY 1994-95 totaled \$466,691.

Fiscal Analyst: M. Hansen

S9596\S4955SA

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.