

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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| FY 2000-01 Year-to-Date Gross Appropriations | \$1,703,858,400 |
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Changes from FY 1999-2000 Year-to-Date:

Items Included by the House and Senate

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| 1. Prison Operations. Appropriations decreased \$10,341,700 for the mothballed Bellemy Creek Facility and \$3,436,100 for various other savings including reduced numbers for new employees training, security level changes at Western Wayne, and elimination of the prisoner rehabilitation education program. Increases included the opening of three drop-in units for \$5,866,000, additional beds at the Cooper Street Prison for \$525,500, step pay increases of \$10,025,600 for correctional staff and probation and parole agents. Operations increases of \$1,164,900 included utility costs at the Youth Correctional Facility, waste water treatment, and personnel for the Pugsley sallyport, grievance coordinator and investigators, and crime victims notification. | \$3,804,200 |
| 2. Health Care and Economic Adjustments. The report includes appropriations for contractual increases in the managed care contract of \$2,779,700, increased dialysis costs of \$51,500 and a secure status outpatient program at Standish for \$393,800. Economic increases reflect the Governor's original recommendation of \$44,963,900. | \$48,188,900 |
| 3. Miscellaneous. Also included, parole board operations increases of \$166,100 and new parole "prescreener" positions for \$264,300. Probation residential centers increased \$100,400 and relocation costs of \$418,500 for the Detroit Parole Office were approved. | \$949,300 |

Conference Agreement on Items of Difference

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| 4. Facilities and Academic/Vocational Programs. The appropriations decreased \$2,530,000 for efficiencies gained by closing Michigan Reformatory and from the roll-up of facility line-items. Also, the appropriations decreased \$1,500,000 to recognize efficiencies gained by the roll-up of academic/vocational programs. Elimination of 20.0 FTEs in correctional facilities administration reduced appropriations by \$1,250,000 and restructuring program services decreased the budget \$200,000. Closure of Camp Waterloo and the Adrian and Muskegon corrections centers resulted in a reduction of \$3,817,900. Project RESTART and CHANGE have been eliminated saving \$1,863,400. | (\$11,161,300) |
| 5. Substance Abuse. The conference report includes a reduction in general fund/general purpose for receipt of \$1,500,000 in federal RSAT grant and a decrease of \$1,000,000 for reduced drug testing costs. Also, eliminated are two pilot programs costing \$2,630,300; one was for in-prison treatment and the other was for parole and probation violator. | (\$3,630,300) |
| 6. Miscellaneous Reductions. The training calendar year changed resulting in savings of \$3,000,000. The report includes reductions for worker's compensation costs of \$1,000,000 and surplus food programs of \$342,100. The report excluded Executive recommendations including increases for mental health pharmaceuticals, employee leadership training, parolee loans, and canine searches totaling \$1,571,600. | (\$4,342,100) |

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| Total Changes | \$33,808,700 |
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| FY 2001-02 Enacted Gross Appropriation | \$1,737,667,100 |
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2000-01 Year-to-Date:Items Included by the House and Senate

1. **Internet Reports.** The Governor's recommendation required all budget act reports to be placed on the Internet. (Sec. 206)
2. **Buy Michigan.** In addition to buy American language, the House included buy Michigan language. (Sec. 209a)
3. **Reimbursement.** The Governor and the House added offender services and programs to the section allowing the Department to charge fees and collect revenues in excess of the appropriation. (Sec. 212)
4. **Clinical Complexes Roll up.** The House required a report on expenditures at each of the clinical complexes. (Sec. 214a)
5. **Academic/vocational Programs.** The House required a report on academic/vocational programs, and an evaluation design developed by a third party with costs estimates for the review of academic/vocational programs. (Sec. 219)
6. **Balances.** The House added a report on restricted fund balances and projected revenues and expenditures. (Sec. 220)
7. **Deleted Sections.** Sections removed from the current year act involve prisoner lottery winnings, prison industries seeking strategic partnerships with private industry, community correction public education grants, the prisoner rehabilitation education program, prisoner co-pay for nonemergency services, prisoner personal property, prisoner use of interdepartmental mail, and a report on suits brought against Departmental employees. (Secs. 214, 502, 704, 802, 803, 902 , 1003, 1004, 1007)

Conference Agreement on Items of Difference

8. **Milk Products.** The conference report adopts a report raw milk purchases by source of purchase. (Sec. 217)
9. **Hepatitis C.** The House required Hepatitis C education for prisoners returning to the community. The Senate included dissemination of information at intake and on an annual basis as well. The Senate language was included. (Sec. 218)
10. **Nursing Overtime.** The report includes legislative intent that nurses work primarily regular pay hours. (Sec. 903)
11. **Pharmacy Services Privatization.** The Senate included a 5-year cost/benefit analysis at least 120 days prior to any effort to privatize pharmacy services. The report requires a 1-year cost/benefit analysis. (Sec. 904)
12. **Re-approving Volunteers.** The Senate stated legislative intent that long-time volunteers be retrained with the minimum of time expenditure and difficulty. The report includes the section with language revisions. (Sec. 1002 (2))
13. **Academic/vocational Programs Reports.** The conference report indicates that one report is required on academic/vocational programs. (Sec. 1007)
14. **Eliminated Sections.** The Executive recommendation included a subunit for budgetary savings. Those savings were spread throughout the budget and the section was eliminated. The Senate included funds to reimburse Blackman Township for the purchase of land for a fire barn and a boilerplate section for funding absconder apprehension pilot projects. These sections are not included in the report. Sections pertaining to substance abuse pilot projects, Project RESTART and Project Change were also removed.

Date Completed: 9-19-01

Fiscal Analysts: B. Wicksall