



Senate Fiscal Agency  
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# BILL ANALYSIS

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House Bill 4437 (H-1 as passed by the House)  
Committee: Appropriations

<b>FY 2008-09 Year-to-Date Gross Appropriation .....</b>	<b>\$2,017,564,200</b>
<b>Changes from FY 2008-09 Year-to-Date:</b>	
1. <b>Facility Closures &amp; Adjustments.</b> Governor saved \$117,992,800 by closing unspecified facilities, which would result in 1,077.2 fewer FTEs and 3,886 fewer beds. About 3 or 4 prisons and 1 or 2 camps would close. Additional savings of \$37,355,100 included full-year savings from FY 2008-09 Executive Order closures, and administrative and program savings from the FY 2008-09 and FY 2009-10 closures. Governor added \$4,745,100 for double-bunking units at Egeler and other unspecified facilities. House concurred.	(150,602,800)
2. <b>Field Operations &amp; Re-entry.</b> Governor added \$1,000,500 to the Parole Board for five more members and staff. To supervise more parolees, Governor included \$7,299,500 for more field operations staff. \$16,889,000 was included for full-year funding for 800 GPS tethers added in FY 2008-09, and 2,000 new tethers. Governor proposed \$22,682,000 more for re-entry programming, \$1.0 million for residential centers for high-risk probationers, and \$750,000 for polygraph testing. House concurred.	49,621,000
3. <b>Community Corrections.</b> House transferred \$519,300 from Residential Services and \$255,700 from Felony Drunk Driver Program to increase County Jail Reimbursement Program by \$775,000.	0
4. <b>Female Prisoner Consolidation.</b> Governor and House saved through consolidating female prisoners at the Huron Valley Complex (HVC), including a \$19,341,100 reduction for closing Scott Correctional Facility in May 2009, savings of \$936,000 realized by consolidating females, and added \$16,659,000 for moving 328 male prisoners in mental health treatment at HVC to the Woodland East unit at DHS' Maxey Training School.	(3,618,100)
5. <b>Health Care.</b> Governor and House included \$8.0 million for mental health treatment, \$4,185,500 to fully fund Hepatitis C treatment, \$3,482,200 for pharmaceutical cost increases, \$2,149,400 for 24/7 nursing coverage, \$1,896,400 for prisoner health care contract cost increases, \$426,400 for Medical Service Providers, \$3,660,300 for information technology systems and support, and \$1,118,700 for 40 new infirmary beds.	24,918,900
6. <b>Efficiencies.</b> Governor and House saved \$3,517,100 through consolidating adjacent prisons at four sites, \$3.0 million by contracting for food purchasing, \$2.0 million by redesigning prisoner education programs, and \$1.2 million by ending a contract for the parolee apprehension program and operating the program at the MDOC.	(9,717,100)
7. <b>Federal and Restricted Funds.</b> Governor and House proposed to reappropriate the \$4.8 million prison store revenue, offset with GF/GP the eliminated \$1.8 million prison store surcharge, offset supervision fees with \$1.0 million GF/GP, offset \$400,500 GF/GP with additional State Criminal Alien Assistance Program funding, and remove \$8,556,900 in overappropriated Federal and restricted revenues.	(3,756,900)
8. <b>Economic Adjustments.</b> Governor and House recommended increases for salaries, insurances, retirement, worker's compensation, food, and fuel.	35,084,900
9. <b>Other Changes.</b> Other changes by the Governor and House resulted in a net decrease.	(1,099,200)
10. <b>Comparison to Governor's Recommendation.</b> House is \$0 Gross and \$0 GF/GP over Governor.	
<b>Total Changes.....</b>	<b>(\$59,169,300)</b>
<b>FY 2009-10 House-Passed Gross Appropriation .....</b>	<b>\$1,958,394,900</b>

**Changes from FY 2008-09 Year to Date:**

1. **Deletions.** Governor and House eliminated the following sections: hiring freeze (205), elimination of uniform cleaning allowance increase (218), policy changes report (221), prison store operations workgroup (228), facility business office operations workgroup (229), MPRI standards (406), mental health training (421), judicial data warehouse user fees (504), community placement reimbursement (604), field agent personal information (606), field manager caseloads (607), health care services contract (802(2)), education report (908(2)), prisoner education program plan (909), prison gardens (920), prisoner employment (922), and prison store surcharge (926).
2. **Retained Sections.** House retained the following sections that Governor proposed to delete: 206, 213, 215, 219, 224, 225, 231, 301(2), 302, 303, 405a, 407, 415, 418(2), 422, 423, 609, 802(1), 804(2), 808, 908(1), 910, 911(1), 912, 913, 914, 915, 917, 918, 923, 924, 925, and 927. The House also retained the following sections with changes: privatization project plan (207), county jail study (230), Michigan Prisoner Re-entry Initiative (MPRI) reports (403), performance audits (420), health care quality assurance report (811), tobacco-free facilities (901), and food service Request for Information (919).
3. **Out-of-State Travel.** Governor deleted language allowing the state budget director to grant exceptions to allow out-of-state travel and a report to the Legislature on the exceptions granted. House did not concur. (Sec. 216)
4. **Report on Staffing.** House required bimonthly reports on the number of FTEs in pay status, and report the number of supportable FTEs in the budget and the amount in each line item proposed to be used for employee costs. (Sec. 232 and 233)
5. **Prisoner Suicides.** House required a report regarding prisoner suicides. (Sec. 305)
6. **Prison Population Projections Report.** Governor postponed the population projection report due date from February 1 to February 15. House did not concur. (Sec. 401)
7. **Re-entry Programs.** Governor required the DOC to develop a performance-based dashboard tracking and reporting system that establishes key indicators of MPRI. House detailed what the indicators must include as well as a report on the indicators and data. (Sec. 403/403a)
8. **County Jail Reimbursement Program (CJRP).** Governor proposed to exclude eligibility for Class F offenses as well as the offenses of uttering and publishing (MCL 750.249), buying, receiving, possessing, or concealing a stolen motor vehicle (MCL 750.535(7)), and theft of another person's identification (MCL 445.65). Additionally, the Governor proposed to reimburse counties \$60 per diem for prison presumptive offenders and \$40 per diem for straddle cell offenders. Currently, CJRP reimburses counties \$43.50 per diem for offenders who have a minimum sentencing guidelines (SG) range minimum of more than 12 months (prison presumptive), and offenders sentenced for crimes other than Class G and H crimes who have a SG range upper limit more than 18 months, a SG range lower limit of 12 months or less, and a prior record variable score of 35 or more points (straddle cell). House allowed reimbursement for offenders on electronic monitoring, and allowed reimbursement for parolees with a SG range upper limit more than 18 months. House proposed to reimburse counties \$60 per diem for prison presumptive offenders, \$50 for assaultive straddle cell offenders (Group 1), and \$35 for nonassaultive straddle cell offenders (Group 2). (Sec. 414)
9. **High-risk Probationer Program.** House required a pilot program for high-risk probationers. (Sec. 424)
10. **Field Agent Caseload Audit.** Governor and House moved the due date of the audit from February 15 to May 31. House also expressed intent that enough agents be maintained to meet supervision standards. (Sec. 601)
11. **Special Parole Board.** House stated that parole board funding is appropriated for both the 10-member parole board and the temporary 5-member special parole board as would be established in HB 4710 and 4711. (Sec. 613)
12. **Inmate Housing Fund.** House specified that this line item included savings that may be derived from improved operational efficiencies, personnel cost reductions, contracting for services, and bed closures. The inmate housing fund (IHF) is a line item used for costs associated with housing prisoners other than those specifically included elsewhere in the appropriations. The \$117,992,800 facility closure savings was taken from the IHF. (Sec. 905)
13. **Public Works Projects.** Governor and House deleted provisions stating intent that public works projects be continued as previously provided, requiring that user fees be halved, and requiring a website listing the number of prisoners available for work crews and the number necessary to fulfill current contracts at each facility. (Sec. 906)
14. **Youthful Prisoners.** House required staff with adequate training, appropriate re-entry programming, and appropriate classification for prisoners under the age of 19 with serious mental illness or developmental disorder. (Sec. 929)

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.