



Senate Fiscal Agency  
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BILL



ANALYSIS

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Senate Bill 393 (as enacted)  
Sponsor: Senator Rick Jones  
Senate Committee: Judiciary  
House Committee: Judiciary

**PUBLIC ACT 136 of 2012**

Date Completed: 6-27-12

**RATIONALE**

The Inmate Reimbursement to Municipalities Act was enacted in 2006 to allow cities, villages, and townships in certain counties to seek reimbursement from inmates for expenses of incarceration, including per diem costs, medical expenses, and the cost charged to a municipality by a county for housing a convicted inmate. This statute is parallel to the Prisoner Reimbursement to the County Act, which was enacted in 1984. When the 2006 legislation was proposed, it was pointed out that the cost of operating a municipal jail or lockup also can be a significant expense for a city, village, or township, and some counties charge municipalities for incarcerating inmates in the county jail. The 2006 Act, however, applied only to municipalities that are located in a county with a population of at least 500,000: Kent, Macomb, Oakland, or Wayne County. It was suggested that municipalities in all counties also should have the authority to seek reimbursement from inmates.

**CONTENT**

The bill amended the Inmate Reimbursement to Municipalities Act to allow any municipality to seek reimbursement from a convicted inmate for expenses of incarceration.

The Act previously defined "municipality" as a city, village, or township located in a county that has a population of 500,000 or more. The bill, instead, defines "municipality" as any city, village, or township.

The bill also states that the Act, consistent with MCL 801.4a, does not create any

responsibility for a municipality in a district court district of the first or second class to incur the expense of housing an inmate in the county jail for an ordinance violation. (As a rule, under MCL 801.4a, all expenses of incarcerating individuals in a county jail for violations of city, village, or township ordinances must be paid by the county if a district court of the first or second class has jurisdiction of the offense.)

The bill took effect on May 16, 2012.

MCL 801.312

**BACKGROUND****Inmate Reimbursement**

The Inmate Reimbursement to Municipalities Act authorizes a municipality to seek the following reimbursement from a person who is or was a convicted inmate in the municipal jail or in a county jail:

- Up to \$60 per day for the expenses, or the actual per diem cost, of maintaining the inmate, for the entire period the person was confined in the municipal jail, including any period of pretrial detention.
- The per-day cost charged to the municipality by a county for housing the inmate, but not more than \$60 per day, for the entire time he or she was housed in the county jail.
- The cost of providing medical treatment, prescription drugs, dental care, and other medical examinations or procedures.
- The cost of investigating the person's financial status.

-- Any other expenses the municipality incurs to collect payments under the Act.

The Act requires a municipality to develop and use a form for determining the financial status of inmates. At the request of a municipality's legislative body, the chief of police or municipal clerk must send the Within one year after an inmate has been released, an attorney for the municipality may file a civil action to seek reimbursement. The court may enter a money judgment against the defendant and may order that his or her property is liable for reimbursement. The municipality may file an action to enforce the judgment, but a judgment may not be executed against the defendant's homestead.

### Funding Inmate Costs

The unit of government responsible for the cost of incarcerating inmates locally depends on whether a municipality is in a district of the first, second, or third class. First-class districts consist of one or more counties and all of the political subdivisions within the county or counties, and each county is responsible for maintaining, financing, and operating the court within its county. Of Michigan's 83 counties, all except seven comprise first class districts. The seven exceptions are the Counties of Genesee, Ingham, Kent, Macomb, Oakland, Washtenaw, and Wayne.

Second-class districts consist of the political subdivisions within the portion of a county that are not included in the boundaries of one or more third-class district courts in the same county; and the county is the funding unit for the second-class district court. A third-class district consists of one or more political subdivisions within a county, and each political subdivision is responsible for funding the court within that political subdivision. In six of the counties that do not comprise first-class districts, some individual municipalities are third-class districts and the remainder of the county is a second-class district. (In Ingham County, for example, the Cities of Lansing and East Lansing are third-class districts, and the rest of the county is a second class district.) In the case of Wayne County, the entire county consists of third-class districts (plus four municipal courts).

legislative body a list of inmates from whom reimbursement may be sought.

Reimbursement may be ordered as a condition of probation, and inmates are required to cooperate with a municipality seeking reimbursement.

As noted above, MCL 801.4a makes counties responsible for the costs of incarcerating ordinance violators in first- and second-class districts. Under this statute, except as otherwise provided, "[A]ll charges and expenses of safekeeping and maintaining persons in the county jail charged with violations of city, village, or township ordinances shall be paid from the county treasury if a district court of the first or second class has jurisdiction of the offense."

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

Many cities, villages, and townships operate municipal jails or lockups and face significant costs to house inmates. East Lansing, for example, spends approximately \$500,000 per year to maintain its jail, according to Judiciary Committee testimony. With lower tax collections and reduced revenue sharing payments, municipalities are hurting financially, and some might have to close their jails unless they can obtain reimbursement from inmates. The new definition of "municipality" gives any city, village, township the authority to seek reimbursement. This may relieve the burden on taxpayers and allow the municipalities to use their limited revenue for other purposes.

#### **Supporting Argument**

The bill recognizes the difference in funding mechanisms between districts of the first, second, or third class, and their responsibility for the costs of incarcerating ordinance violators. As noted above, in districts of the first and second class, counties bear the cost of incarcerating inmates for municipal ordinance violations. While the bill would allow "any" city, village, or township to seek reimbursement from inmates, only those municipalities in districts of the third class are responsible for this cost. Thus, the bill clarifies that it does not

shift the expense to municipalities in first- or second-class districts.

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

The bill will have no fiscal impact on the State and an indeterminate fiscal impact on local governments. To the extent that additional municipalities may obtain prisoner reimbursement for certain costs related to jail commitments, those municipalities may receive increased revenue to partially offset local incarceration expenditures. Such reimbursement mechanisms cannot fully offset expenditures as reimbursement cannot be sought from those who are not convicted, nor can it be sought from those who are indigent.

Fiscal Analyst: Dan O'Connor

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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.