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Senate Bill 119 (S-1, Draft 1 as reported)  
Committee: Appropriations

Throughout this document Senate means Subcommittee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SENATE SUBCOMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	14,179.3	14,174.3	(5.0)	(0.0)
<b>GROSS .....</b>	<b>2,022,721,700</b>	<b>1,961,726,000</b>	<b>(60,995,700)</b>	<b>(3.0)</b>
Less:				
Interdepartmental Grants Received .....	225,000	225,000	0	0.0
<b>ADJUSTED GROSS.....</b>	<b>2,022,496,700</b>	<b>1,961,501,000</b>	<b>(60,995,700)</b>	<b>(3.0)</b>
Less:				
Federal Funds.....	5,081,000	5,568,700	487,700	9.6
Local and Private .....	8,547,700	8,533,200	(14,500)	(0.2)
<b>TOTAL STATE SPENDING.....</b>	<b>2,008,868,000</b>	<b>1,947,399,100</b>	<b>(61,468,900)</b>	<b>(3.1)</b>
Less:				
Other State Restricted Funds.....	48,769,600	42,950,700	(5,818,900)	(11.9)
<b>GENERAL FUND/GENERAL PURPOSE.....</b>	<b>1,960,098,400</b>	<b>1,904,448,400</b>	<b>(55,650,000)</b>	<b>(2.8)</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>115,714,000</b>	<b>114,323,600</b>	<b>(1,390,400)</b>	<b>(1.2)</b>

**FY 2014-15 Year-to-Date Gross Appropriation ..... \$2,022,721,700**

**Changes from FY 2014-15 Year-to-Date:**

- Goodwill 'Flip the Script' Program.** Governor excluded program from budget proposal. Senate rejected the cut and restored funding. 2,500,000
- IDG to DHS for Swift-and-Sure Withdrawal/Mental Health Pilot Relocation.** Governor withdrew \$2.0 million GF/GP in program funding in budget recommendation. Senate rejected the IDG to DHS cut, \$1.0 million GF/GP and concurred with the pilot relocation. 1,000,000
- Parole Sanction Certainty Pilot Program.** Senate initiated pilot program is designed to bring sanction certainty to technical parole violators to reduce returns to prison. 500,000
- Neal et al. Litigation Settlement Expiration.** Governor removed \$25.0 million GF/GP settlement payments with the Neal et al. civil case. Senate concurred. (25,000,000)
- Unified Physical/Mental Health Care Contract Savings.** Senate reduced aggregated healthcare line item by \$15.0 million to recognize 7% savings from Governor's budget as expected unified health care contract realizes reductions in overhead and administrative cost burden as has occurred in other states. (15,000,000)
- Program and Special Equipment Fund Shift.** Governor shifted \$9.0 million of restricted funds to replace GF/GP for education and re-entry services to align budget priorities. Senate concurred. (9,000,000)
- Facility Operating Efficiencies.** Governor restored as well as reduced funding for some of the line items impacted by Executive Order 2015-5 by a net of \$200,000 increase GF/GP. Senate concurred with Governor and reduced funding by additional \$3.5 million GF/GP through 'mid-year' true-up adjustment which reflects forecasted unspent line item balances. (3,300,000)
- One-time Funding Removal.** Governor cut one-time costs for education enhancements, field mobilization costs, and the 70 x 7 life recovery program. Senate concurred. (2,085,900)

FY 2015-16 CORRECTIONS BUDGET

9. <b>Kinross/Hiawatha Facility Swap.</b> Governor recognized \$2.0 million GF/GP savings from transition of prisoners from Kinross to the Hiawatha facility in the Upper Peninsula. Senate concurred.	(2,000,000)
10. <b>Electronic Monitoring Center Savings.</b> Governor identified \$1.0 million in funds that can be eliminated by the State purchasing rather than leasing the GPS and radio tethers. Senate concurred.	(1,000,000)
11. <b>Economic Adjustments.</b> Includes a negative \$14,406,000 Gross and a negative \$14,772,500 GF/GP for OPEB and \$9,153,100 Gross and \$9,608,400 GF/GP for other economic adjustments. Senate concurred.	(5,252,900)
12. <b>Other Changes.</b> Governor reflected reduction in restricted revenue amounts. Senate concurred.	(2,356,900)
13. <b>Comparison to Governor's Recommendation.</b> The Senate is \$14,500,000 Gross and \$14,500,000 GF/GP under the Governor.	
Total Changes .....	(\$60,995,700)
<b>FY 2015-16 Senate Appropriations Subcommittee Gross Appropriation.....</b>	<b>\$1,961,726,000</b>

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

**Boilerplate Changes from FY 2014-15 Year-to-Date:**

1. **Deletions.** The Governor proposed the elimination of the majority of the current-year boilerplate; the approximately fifty-eight Sections or subsections proposed for elimination include: 204, 206, 207, 212, 214, 232, 238, 239, 247, 304, 305, 402, 403, 404, 406, 407, 409, 411, 412, 413, 417, 418, 420, 421, 431, 434, 435, 436, 437, 504, 505, 508, 509, 510, 511, 601, 608, 611, 612, 615, 802, 803, 804(2), 805, 812, 814, 816, 904, 907, 911, 912, 913, 915, 937, 938, 940, 1011, 1051, and 1201. The deletions include a variety of reporting requirements, statements of legislative intent, and guidance on certain programs such as the LEAN program, Swift-and-Sure IDG to DHS, and the workforce development language. Senate concurred with eleven of the deletions including 204, 404, 431, 435, 436, 504, 505, 508, 510, 938, and 1051. Senate restored or modified the other sections deleted by the Governor.
2. **Definitions.** Fourteen definitions were eliminated from the bill, ranging from simple acronyms such as FTE meaning "full time equivalent", to broader definitions for concepts such as recidivism and cost per prisoner. Twenty-four definitions would remain in the bill with such terms as: full-time equivalent, offender target population, and serious mental illness. Senate concurred with Sec. 203(o), 203(r), and 203(t) deletion but restored all other definitions as well as adding Sec. 203 (m) "EPIC" program.
3. **Program and Special Equipment Fee Language Change.** Governor changed name of fund from 'special equipment fund' to 'program and special equipment fund'. Senate concurred with updated language. (Sec. 5-219)
4. **Contingency Funding Allowance Increase.** Governor increased the amount of State contingency funds allowed to be collected increased from \$5,000,000 to \$10,000,000 for the potential use for State restricted contingency if needed in FY 2015-16 in accordance with the program and special equipment fund shift. (Sec. 5-229(2)). Senate concurred.
5. **Updated Amounts for Total Legacy Costs.** Governor updated total legacy costs section, the pension-related costs are: \$188,628,700 and the retiree health care costs are: \$143,701,900. Senate concurred with the update. (Sec. 5-246)
6. **Performance Metrics Language.** Governor did not include language. Senate modified language to update the requirements from the Department. The following thirteen line-items in the Senate recommendation would be subject to the current modified language: Executive direction, Reentry services, Education program, Community corrections, felony drunk driving, Residential services, Field operations, Parole sanction certainty pilot program, Substance abuse testing and treatment services, clinical and mental health services and support, Detroit re-entry center, Muskegon Correctional Facility, Southern region administration and support. (Sec. 5-247)

7. **Staff Savings Report.** Senate modified language to add a response time component as well as reporting requirement to inform outcomes from staff suggestions. (Sec. 5-304)
8. **Effective Process Improvement and Communication (EPIC) Report.** Senate removed LEAN programming process language and added reporting requirement on EPIC program. (Sec. 5-403)
9. **County Jail Reporting.** Senate added subsection for county jail capacity and occupancy for those counties which accept funds. (Sec. 5-414)
10. **Parole Sanction Certainty Pilot Program.** Senate add language to detail guidance on expenditures for this pilot program. (Sec. 5-421)
11. **MSI/Prosperity Region Nexus.** Senate modified Michigan State Industries reporting language to include labor force demand data as well as an identification of skills shortages in the Michigan Prosperity regions to achieve connection between program and geographic labor needs. (Sec. 5-509)
12. **Changes to Offsite Inpatient Medical Care Reports.** Governor deleted reporting requirement concerning off-site inpatient medical care and average length of stay in an off-site facilities. Senate restored language. (Sec. 5-804(2))
13. **Cost Per Prisoner Report.** Senate added language to add marginal cost per prisoner by age cohort as another data point in the existing report. (Sec. 5-904)
14. **Community Colleges Programming Eligibility.** Senate added language to allow for undergraduates and community colleges to find opportunities to collaborate with the Department on providing programming. (Sec. 5-915)

Date Completed: 4-14-15

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