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

BILL ANALYSIS

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

Senate Bill 935 (as introduced 5-3-16)
Sponsor: Senator Mike Shirkey
Committee: Michigan Competitiveness

Date Completed: 5-17-16

CONTENT

The bill would create the "Supervising Region Incentive Act" to do the following:

-- **Require the Department of Corrections (DOC) to adopt a supervising region incentive program to be offered to field operations administrative regions that agreed to seek at least a 10% reduction in parole and probation revocations.**
-- **Provide that a region would receive incentive funding only if it achieved that reduction within a one-year period.**
-- **Allow a region to receive additional funding if, after three years, it achieved an additional reduction of at least 10% in parole and probation revocations within a one-year period.**
-- **Allow incentive funding to be used only for specified purposes.**
-- **Create the "Supervising Region Incentive Fund" and allow the DOC to spend money in the Fund for incentives and assistance to field operations administrative regions implementing practices, procedures, and sanctions directed at parole and probation revocation reduction.**
-- **Require the DOC to submit an annual report to the Senate and House Appropriations Subcommittees on Corrections and to the Senate and House Fiscal Agencies.**

The bill would take effect 90 days after enactment.

The bill is tie-barred to Senate Bill 932, which would create the "Parole Sanction Certainty Act" to require the DOC to adopt a system of sanctions for violations of conditions of parole sanction certainty supervision.

Definitions

"Field operations administrative region" would mean one of the geographic regions delineated by the DOC that oversee supervised individuals within the region and that employ parole and probation officers to engage in direct supervision of those individuals.

"Supervised individual" would mean an individual placed on probation or serving a period of parole or postrelease supervision from prison or jail.

Incentive Program

By January 1, 2017, the DOC would have to adopt a supervising region incentive program to be offered to field operations administrative regions that agreed to seek not less than a 10% reduction in parole and probation revocations in the regions' supervised population.

To be eligible to receive incentive funding, a field operations administrative region would have to enter into an agreement with the DOC to seek not less than a 10% reduction within a one-year period in parole and probation revocations in the region by implementing the practices, procedures, and sanctions, as applicable, under the proposed Parole Sanction Certainty Act, as well as other efforts to reduce parole and probation revocations.

In developing its plan to reduce parole and probation revocations, a region would have to work with local law enforcement officers within the region, including the sheriffs' departments, circuit courts, county prosecutors' offices, and community corrections programs.

A region could receive incentive funding only if it achieved at least a 10% reduction in parole and probation revocations within a one-year period.

A region that received incentive funding would be eligible to receive additional incentive funding if, after three years had elapsed after the region received the funding, it achieved an additional reduction in parole and probation revocations of at least 10% within a one-year period compared to the number of revocations in the year it received the original funding.

<u>Use of Incentive Funding</u>

A region that received incentive funding would have to divide the funds between the parole and probation divisions within the region in a manner that was commensurate to the percentage of supervised individuals in each division.

Incentive funding could be used only for the following purposes:

-- The purchase and maintenance of monitoring technology.
-- Job training.
-- Substance abuse treatment.
-- Mental health counseling and treatment.
-- Approved parolee and probationer incentive programs.
-- The employment of additional supervising officers to reduce supervising agent caseloads.
-- Reimbursement for jail services.
-- Evidence-based cognitive or behavioral programs and practices that had demonstrated success in reducing recidivism.

("Supervising officer" would mean an individual appointed or employed by a field operations administrative region to supervise supervised individuals.)

<u>Incentive Fund</u>

The Supervising Region Incentive Fund would be created in the State Treasury. The State Treasurer could receive money or other assets from any source for deposit into the Fund, including General Fund appropriations, gifts, grants, and bequests. The Treasurer would have to credit to the Incentive Fund interest and earnings from Fund investments. Money in the Fund at the close of the fiscal year would remain in the Fund and not lapse to the General Fund. The DOC would be the administrator of the Incentive Fund for auditing purposes.

The DOC could spend money from the Fund, upon appropriation, only for one or both of the following purposes:

-- As an incentive to field operations administrative regions that implemented supervision practices, procedures, and sanctions directed at parole and probation revocation reduction within the regions.
-- To assist field operations administrative regions to implement such practices, procedures, and sanctions.

Annual Report

By November 1 of each year, the DOC would be required to submit a report providing all of the following to the members of the Senate and House Appropriations Subcommittees on Corrections and to the Senate and House Fiscal Agencies:

-- Which and how many field operations administrative regions were participating in the incentive funding program.
-- The total, if any, of the avoided costs of incarceration realized through the implementation of the supervision practices, procedures, and sanctions for parolees and probationers described above.
-- The total, if any, of the avoided costs to victims realized through the implementation of those practices, procedures, and sanctions.
-- The total, if any, of the avoided costs of the probation or parole revocation process realized through the implementation of those practices, procedures, and sanctions.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the State and no fiscal impact on local government. It would target probation and parole revocations both for technical violations and for new offenses. The Department of Corrections supervises approximately 63,000 probationers and parolees each year. From 2012 to 2014, the State averaged 6,120 combined probation and parole revocations that led to imprisonment per year. It is not known if or by how much the incentives in the bill would encourage supervising regions to reduce revocations.

For any decrease in prison intakes, in the short term, the marginal savings to State government would be approximately $3,764 per prisoner per year. In the long term, if the decreased intake of prisoners reduced the total prisoner population enough to allow the Department of Corrections to close a housing unit or an entire facility, the marginal savings to State government would be approximately $34,550 per prisoner per year. For comparison, it costs the State approximately $3,024 per year to supervise a person on probation and $5,260 to supervise a person on parole.

The amount appropriated for incentives would be at the discretion of the Legislature. The Senate-passed FY 2016-17 Corrections budget proposes $3.0 million for the incentives.

Fiscal Analyst: Ryan Bergan

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