



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



Telephone: (517) 373-2768
Fax: (517) 373-1986

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2018-19 YEAR-TO-DATE*	FY 2019-20 INITIAL APPROPS.	CHANGES FROM FY 2018-19 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	13,963.2	13,778.3	(184.9)	(1.3)
GROSS	2,019,056,200	2,011,308,800	(7,747,400)	(0.4)
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	2,019,056,200	2,011,308,800	(7,747,400)	(0.4)
Less:				
Federal Funds	5,315,200	5,323,700	8,500	0.2
Local and Private	8,960,100	11,687,200	2,727,100	30.4
TOTAL STATE SPENDING	2,004,780,900	1,994,297,900	(10,483,000)	(0.5)
Less:				
Other State Restricted Funds	40,939,600	59,212,500	18,272,900	44.6
GENERAL FUND/GENERAL PURPOSE	1,963,841,300	1,935,085,400	(28,755,900)	(1.5)
PAYMENTS TO LOCALS	122,169,600	103,821,100	(18,348,500)	(15.0)

*As of September 30, 2019.

	Gross	GF/GP
FY 2018-19 Year-to-Date Appropriation	\$2,019,056,200	\$1,963,841,300

Changes from FY 2018-19 Year-to-Date:

Items Included by the Senate and House

- | | | |
|---|-------------|-------------|
| 1. Removal of FY 2018-19 Supplemental Funding. Governor, Senate, and House removed supplemental funding totaling \$2.0 million provided for education, skilled trades, and career readiness programs added via P.A. 618 of 2018. | (2,000,000) | (2,000,000) |
| 2. Detroit Detention Center. Governor included a cost adjustment for contract with City of Detroit for the operation of the Center. Senate, House, and Conference concurred. | 2,623,600 | 0 |
| 3. Aging Prisoner Population. Governor increased funding by \$2,100,000 to support additional staff and renovations at the Thumb Correctional Facility to better serve the health care needs of the aging prisoner population. Total funding is \$2,100,000, all GF/GP, of which \$350,000 one-time. Senate, House, and Conference did not include. | 0 | 0 |
| 4. Prison Industries Transportation Costs. Governor increased funding for transportation costs as Michigan State Industries has increased utilization of the transportation line item to move MSI goods between correctional facilities. Senate, House, and Conference concurred. | 10,000 | 0 |
| 5. Supervising Region Incentive Program. Governor eliminated the program. Senate, House, and Conference concurred. | (1,000,000) | (1,000,000) |
| 6. High School Online Equivalency Pilot. Governor eliminated the pilot program. Senate, House, and Conference concurred. | (500,000) | (500,000) |

7. Prison Kitchen Inspections. Governor eliminated the pilot program. Senate, House, and Conference concurred.	(50,000)	(50,000)
8. Ojibway Correctional Facility Closure Savings. Governor included the remaining balance of the full-year savings resulting from the closing of the Ojibway facility. Senate, House, and Conference concurred.	(6,805,700)	(6,805,700)
9. Removal of FY 2018-19 One-Time Savings. Governor removed a total of \$11.6 million in one-time funding that included the following items: higher custody level (\$2.4 million) and new officer school (\$9.2 million). Senate, House, and Conference concurred.	(11,627,700)	(11,627,700)
10. Economic Adjustments. Includes \$23,370,800 Gross and \$23,095,900 GF/GP for total economic adjustments, of which an estimated negative \$19,777,200 Gross and negative \$19,562,700 GF/GP is for legacy retirement costs (pension and retiree health).	23,370,800	23,095,900
<u>Conference Agreement on Items of Difference</u>		
11. County Jail Reimbursement Program. The program reimburses counties for housing in jails certain felons who otherwise would have been sentenced to prison. Governor vetoed entire funding for this program.	(14,814,600)	(8,914,600)
12. New Custody Staff Training. Governor provided one-time funding for an officer academy with an expected graduating class of 408 officers to address higher than anticipated attrition. Senate concurred. House did not include. Conference funded at \$7.4 million with repurposed work project funds. Governor vetoed this funding mechanism thus program will not be funded in FY 2019-20.	0	0
13. Corizon Health Care Contract. Governor increased funding by \$5,446,500 due to inflationary contract costs increases. Senate and House did not include. Conference funded at \$2.7 million.	2,723,200	2,723,200
14. Hepatitis C Treatment. Governor increased funding by \$6,965,200 to continue treatment costs and expand treatment to F1 and F0 offenders. Senate and House did not include. Conference funded at \$7.0 million with General Fund.	6,965,200	6,965,200
15. Electronic Tether Replacement. Governor provided one-time funding totaling \$4,567,100 for the replacement of nearly 6,700 electronic tether monitoring devices due to moving from a 3G to a 4G cellular system. Senate included a \$100 placeholder. House did not include. Conference funded at \$4.6 million with repurposed work project funds. Governor vetoed this funding mechanism thus program will not be funded in FY 2019-20.	0	0
16. Milage Rate Increase. Governor increased funding by \$324,100 due to increased millage reimbursement rate set by DTMB. Senate did not include. House and Conference concurred with Governor.	324,100	324,100
17. Prisoner Transportation. Governor increased funding by \$102,300 for lease cost increases for prisoner transportation vehicles. Senate did not include. House and Conference concurred with Governor.	102,300	102,300
18. Water/Sewer Rate Increase. Governor increased funding by \$97,000 due to rate increases for the St. Louis Correctional Facility. Senate reduced funding by \$100. House and Conference concurred with Governor.	97,000	97,000

19. Grandview Plaza Security. Governor increased funding by \$42,000 due to increased cost of replacing unarmed security guards with armed guards at MDOC headquarters in Lansing. Senate did not include. House and Conference concurred with Governor.	42,000	42,000
20. Goodwill Flip-the-Script. Governor eliminated the program. Senate retained as \$100 placeholder. House and Conference retained funding at \$1.5 million.	0	0
21. Substance Abuse Parole Certain Sanction Program. Governor and House eliminated the program. Senate retained current funding. Conference funded at \$1.0 million with repurposed work project funds. <i>Governor vetoed this funding mechanism thus program will not be funded in FY 2019-20.</i>	(1,440,000)	(1,440,000)
22. Administrative Reduction. Senate included a reduction of 2.17% totaling \$9.2 million across several line items to reach Senate target. House included a \$1.2 million administrative reduction. Conference reduced funding across several line items totaling \$5.4 million (\$3.6 million from historical lapses and \$1.8 million in administrative reductions).	(5,517,600)	(5,517,600)
23. Program and Special Equipment Fund Source Adjustment. House included a fund shift totaling \$16.9 million to replace General Fund with restricted funds. Conference increased funding shift to \$24.0 million.	0	(24,000,000)
24. Federally Qualified Health Centers Pilot. Governor and Senate eliminated the pilot program. House retained \$100 placeholder. Conference concurred with Governor.	(250,000)	(250,000)
Total Changes	(\$7,747,400)	(\$28,755,900)
FY 2019-20 Initial Ongoing/One-Time Appropriations**	\$2,011,308,800	\$1,935,085,400

Boilerplate Changes from FY 2018-19 Year-to-Date:Items Included by the Senate and House

1. **Definitions.** Twelve definitions were eliminated from the bill. These included acronyms that are no longer referenced in the bill, as well as the definitions of "cost per prisoner" and "offender who would likely be sentenced to imprisonment". **Senate, House,** and **Conference** retained all definitions.
2. **Deprived and Depressed Communities. Governor** eliminated language stating that a Department cannot take disciplinary action against an employee or prisoner for communicating with a legislator or their staff. Language replaces with new language requiring the Department to take all reasonable steps to ensure that business in deprived or depressed communities compete for and perform contracts to provide services or supplies, or both. **Senate, House,** and **Conference** retained current law language regarding disciplinary action and did not include new Governor language regarding deprived and depressed communities. (Sec. 206)
3. **Updated amounts for Total Legacy Costs. Governor** updated total legacy costs section. The pension-related costs for FY 2019-20 are \$143,458,300 and the retiree health care costs are \$151,648,700. **Senate** concurred. (Sec. 214)

Conference Agreement on Items of Difference

4. **Contingency Funds. Senate** eliminated all contingency fund language. **House** retained current law. **Conference** retained only \$2.5 million in contingency funds for the Department of Corrections. (Sec. 210)
5. **NEW Use of Work Project Funds. House** added new language stating that appropriations in part 1 shall not be expended until all existing work project authorizations available for the same purpose is exhausted. **Conference** concurred with House. (**NEW** Sec. 225) **Governor vetoed this Section.**

6. **NEW Work Project Appropriations. House** added new language stating that from the unexpended and unencumbered funds appropriated in previous years, several projects totaling \$15.4 million in the Department of Corrections must be funded from previous work project appropriations. The following projects shall be funded from the previously appropriated work projects: \$7.4 million for a new officer school; \$4.5 million for replacing electronic tethers; \$950,000 for PTSD and wellness support; \$750,000 for demolition of the Deerfield Correctional Facility; \$500,000 for replacing corrections officer training binders with electronic equipment; \$200,000 for requalifying corrections officers in handgun training, \$100,000 for a study on a suitable location for a corrections officer training academy; and \$1.0 million for the Substance Abuse Parole Certain Sanction Program. **Conference** concurred with House. (NEW Sec. 226) **Governor vetoed this Section.**
7. **NEW Officer Training Academy and Deerfield Facility Demolition. House** added new language to specify how the repurposed work project funds shall be used: the language for the \$100,000 for the Officer Training Academy is added in NEW Sec. 227 while the language for the \$750,000 for the demolition of the Deerfield Facility is added in NEW Sec. 228. **Conference** concurred with House. (NEW Secs. 227 and 228) **Governor vetoed this Section.**
8. **Recidivism Rates. Governor** revised language for measurement of recidivism rates to state that the measure shall be the reincarceration recidivism rate based on available state data. **Senate** concurred. **House** and **Conference** retained current law. (Sec. 408)
9. **NEW Public Safety Initiative. House** added new language stating that a county sheriff who receives funding for the public safety initiative shall report a detailed listing of expenditures made for the prior three fiscal years. Additionally, if requested by the senate and house of representatives appropriations subcommittees on corrections, the county sheriff of the county receiving the funding under part 1 shall appear before the subcommittees to discuss the expenditure report. **Conference** concurred with House. (NEW Sec. 413)
10. **NEW. Immigration Status. Senate** added language stating that if a county enacts or enforces any law, ordinance, policy, or rule that limits or prohibits a peace officer or local official, officer, or employee from communicating or cooperating with appropriate federal officials concerning the immigration status of an individual in this state, that county would have withheld its reimbursement from funds appropriated in part 1 to house in jails certain felons who otherwise would have been sentenced to prison. **Conference** concurred with Senate. (NEW Sec. 414(7)) **Governor vetoed entire Section 414.**
11. **Reporting Requirements. Governor** reduced the frequency of reporting for prisoner populations (Sec. 419), Hepatitis C treatment (Sec. 807), correctional officer to prisoner ratios (Sec. 912), and Holmes Youthful Trainee status (Sec. 930). **Senate** concurred only with the Governor's changes to Sec. 807 and Sec. 930. **House** and **Conference** retained current law.
12. **NEW Prisoner Labor and Delivery. House** added new language stating that if a female prisoner consents to a visitor being present, the Department shall allow that 1 person to be present during the prisoner's labor and delivery. The person allowed to accompany the prisoner must be an immediate family member, legal guardian, spouse, or domestic partner. The Department is authorized to deny access to a visitor if the Department has a safety concern with that visitor's access. The Department is authorized to conduct a criminal background check on a visitor. **Conference** concurred with House. (NEW Sec. 920)

Date Completed: 10-2-19

Fiscal Analyst: Joe Carrasco, Jr.

**This reflects action taken by the State Administrative Board on 10-1-19 if applicable.