

HOUSE BILL No. 4078

February 5, 1991, Introduced by Reps. Ostling, Knight, Bender, Johnson, Gilmer, Oxender, Allen and Sparks and referred to the Committee on Appropriations.

A bill to make appropriations for the department of corrections and certain other state purposes for the fiscal year ending September 30, 1991; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 101. There is appropriated for the department of corrections
2 to supplement former appropriations for the fiscal year ending
3 September 30, 1991 from the following:

4 DEPARTMENT OF CORRECTIONS

5 EXECUTIVE

6 Corrections operating fund..... \$ 102,900,000

7 Appropriated from:

8 General fund/general purpose..... \$ 102,900,000

9 GENERAL SECTIONS

10 Sec. 201. In accordance with the provisions of section 30 of
11 article IX of the state constitution of 1963, total state spending in

1 this appropriation act is \$102,900,000.00 and state appropriations to be
2 paid to units of local government in section 101 of this act are \$0.

3 Sec. 202. The appropriations made and the expenditures authorized
4 under this act and the departments, agencies, commissions, boards,
5 offices, and programs for which an appropriation is made under this act
6 are subject to the management and budget act, Act No. 431 of the Public
7 Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled
8 Laws.

9 DEPARTMENT OF CORRECTIONS

10 Sec. 301. The \$102,900,000.00 appropriated in section 101 for the
11 corrections operating fund shall be used to reduce the number of layoffs
12 in correctional institutions from 2,415 as required by the 9.2%
13 across-the-board reduction enacted in Act No. 357 of the Public Acts of
14 1990 to approximately 323 as recommended in the governor's plan and to
15 address other court ordered and high priority needs in the department of
16 corrections. This appropriation may also be used to pay for unfunded
17 positions until such time as they are eliminated. Expenditures from the
18 corrections operating fund shall be made by administrative transfer to
19 existing accounts or to separate accounts created to separately identify
20 costs for specific purposes and shall not be made unless approved by the
21 department of management and budget. Separate subaccounts may be created
22 for the purposes of paying for unemployment insurance and terminal leave
23 costs associated with layoffs throughout the department.

24 Sec. 302. Agencies which benefit from public works performed by
25 special alternative incarceration program probationers shall be charged
26 at the same rate as is charged by the department for public works

1 performed by prisoners. Funds collected shall be placed in the accounts
2 from which expenditures for the program are paid.

3 Sec. 303. The reimbursement rate established pursuant to
4 section 1201(2) of Act No. 210 of the Public Acts of 1990 shall be \$6.50
5 effective on the effective date of this act.

6 DEPARTMENT OF MANAGEMENT AND BUDGET

7 Sec. 401. Pursuant to sections 352 and 353 of Act No. 431 of the
8 Public Acts of 1984, being sections 18.1352 and 18.1353 of the Michigan
9 Compiled Laws, which provide for payments into and withdrawals from the
10 countercyclical budget and economic stabilization fund, there is hereby
11 transferred from the countercyclical budget and economic stabilization
12 fund to the state general fund the sum of \$102,900,000.00. The basis for
13 such a determination is as follows:

14 (a) Budget stabilization (amounts in millions):

	<u>FY 1989-1990</u>	<u>FY 1990-1991</u>
16 Michigan personal income	\$ 169,572 (CY 90)	\$ 178,242 (CY 91)
17 Less transfer payments	<u>\$ 26,434</u>	<u>\$ 28,427</u>
18 Adjusted personal income	\$ 143,138	\$ 149,815
19 Detroit consumer index	1.253	1.326
20 Real adjusted personal income	\$ 114,236	\$ 112,983
21 Percent change	N/A	-1.10%
22 Prior year GF/GP revenue	N/A	\$ 7,554.9
23 Transfer to the general fund:	N/A	\$ 82.9

	<u>BALANCE</u>	<u>2.5% OF BALANCE</u>
1 (b) Countercyclical economic stabilization (amounts in millions):		
2		
3 Estimated BSF balance		
4 At end of: March, 1991	\$ 401.7	\$ 10.0
5 Estimated BSF balance		
6 At end of: June, 1991	\$ 398.8	<u>\$ 10.0</u>
7 Transfer to the general fund:		\$ 20.0
8 (c) Total transfer to the general fund:		
9		(a) \$ 82.9
10		(b) <u>\$ 20.0</u>
11		Total \$102.9