



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2010-11 Year-to-Date Gross Appropriation	\$2,007,433,600
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Changes from FY 2010-11 Year-to-Date:

Items Included by the Senate and House

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| 1. Privatization of Food Service and Prison Stores. Both Senate and House concurred with the Governor in anticipating a competitive bidding process for prison food service operations and prison store operations. | (13,252,500) |
| 2. Early Retirement Savings. Both Senate and House included full-year savings of \$8.8 million related to early retirements finalized during the first quarter of FY 2010-11. | (8,821,900) |
| 3. Consolidation of Lieutenant Positions. Both Senate and House called for the consolidation of lieutenant positions at corrections facilities, thus reducing one position from each shift at each facility location. | (8,491,000) |
| 4. Economic Adjustments. The Senate included standard economic adjustments to account for increases in insurance and retirement economics and other related costs. | 58,312,200 |

Conference Agreement on Items of Difference

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| 5. Span-of-Control Reductions. Conference reduced funding to the MDOC central office and the two regional administration offices in anticipation of efforts to reduce the number of supervisory staff employed by the Department. | (6,000,000) |
| 6. Closure of Facilities. Conference included \$26.0 million GF in savings as a result of the closure of the Florence Crane correctional facility in Coldwater. Conference also reflected the pending closure of the Muskegon correctional facility – a reduction of \$30.8 million in restricted funds. | (56,834,300) |
| 7. Inmate Housing Fund. Conference included a negative appropriation of \$79.2 million to allow the Department flexibility in determining the appropriate manner in which to reduce the costs of incarceration. | (79,232,700) |
| 8. Reduction to Prisoner Education. Conference reduced funding for prisoner education by \$3.6 million. | (3,589,800) |
| 9. Cost-Effective Housing Initiative. Conference set aside \$47.9 million for the housing of prisoners in the most cost-effective manner possible. This funding is intended to be expended through the establishment of a public-private partnership for the housing of approximately 1750 inmates. | 47,906,300 |
| 10. New Custody Staff Training. Conference included \$0.5 million in additional funding for new custody staff training. | 470,300 |
| 11. Public Works Programming. Conference anticipated \$10.0 million in funding for public works; this restricted revenue is expected to be realized through payments provided by the recipients of MDOC public works services. | 10,000,000 |
| 12. Other Changes. Miscellaneous other changes resulted in a net reduction to current-year appropriations. | (11,326,400) |

Total Changes	(\$70,859,800)
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FY 2011-12 Conference Report Gross Appropriation	\$1,936,573,800
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2010-11 Year to Date:Items Included by the Senate and House

1. **Use of Closed Facilities.** New Senate and House language encourages the Department to sell, rent, or otherwise repurpose closed correctional facilities. (Senate Sec. 237, House Sec. 238)

Conference Agreement on Items of Difference

2. **Full-Time Equated Positions.** Conference amended an existing language section to require the Department to submit a quarterly report on the number of "long-term" vacancies within the Department. (Sec. 212)
3. **Span of Control.** Conference included language encouraging the Department to establish and maintain a management-to-staff ratio of 1 supervisor for each 5 employees at the Department's central office in Lansing and at both the northern and southern regional offices. (Sec. 239)
4. **Prisoner Re-Entry Pilot with Faith-Based Organization.** Conference included new language conditioning the expenditure of funds reinvested from the Crane facility closure on the establishment of a pilot program with faith-based non-profit agencies that have established prisoner re-entry programs. (House Sec. 406)
5. **County Jail Reimbursement Program (CJRP).** The Conference retained current year language setting the reimbursement parameters for CJRP. In addition, Conference added a new subsection that sets aside \$500,000 in CJRP funding for a "swift-and-sure" pilot program. (Sec. 414)
6. **IDG to Corrections Ombudsman.** Conference language dictates that a \$250,000 IDG go to the Legislative Corrections Ombudsman for oversight activities. (Sec. 506)
7. **Swift-and-Sure Sanctions.** Conference included language detailing an interdepartmental grant to the Judiciary for the establishment of a "swift-and-sure" sanctions pilot program to be administered by the drug courts. (Sec. 507)
8. **DNA Samples.** New Conference language requires that each state prisoner and each probationer housed at SAI provide a DNA sample in accordance with the requirements of Senate Bill 346 of 2011. (Sec. 810)
9. **Pharmaceutical Expenditures.** Conference included new language requiring the Department to report expenditures on psychotropic medications. Further, this report must also include details on any changes to the Department's drug formularies and a progress report from the Department on efforts to comply with a recent Auditor General report on pharmaceutical policies in the MDOC. (Sec. 816)
10. **Public Works Programs.** Conference revises existing language to encourage the Department to contract with local governments for the continuation of public works projects to the extent possible. (Sec. 906)
11. **Assaultive Offender Programs.** Conference included new subsection requiring quarterly reports on assaultive offender and sex offender program enrollment and waiting lists.
12. **Cost-Effective Housing Initiative.** Conference included language indicating that funds appropriated for cost-effective housing must be used for housing prisoners in the most cost-effective manner possible; including by exploring the use of public-private partnerships, the use of privately-owned facilities, and the use of recently closed correctional facilities. (Sec. 937)
13. **Drug Testing Services.** Conference included new language directing the Department to contract with a Michigan-based company that provides laboratory oral fluid drug testing services for the procurement of drug testing services in correctional facilities. (Sec. 940)

Date Completed: 5-23-11

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