



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

BILL



ANALYSIS

Telephone: (517) 373-2768

Fax: (517) 373-1986

FY 2011-12 Year-to-Date Gross Appropriation	\$2,014,499,400
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Changes from FY 2011-12 Year-to-Date:

Items Included by the Senate and House

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| 1. Full Year on FY 2011-12 Contingency Plans. Governor included \$32.5 million in savings associated with the Mound Facility closure, \$10.0 million in savings by eliminating 115 vacant field operations positions, and \$11.1 million in savings from competitive bidding of health care, mental health, and the Woodland Facility; Senate and House concurred. | (55,280,400) |
| 2. FY 2011-12 Unrealized Savings from Cost Effective Housing Initiative (CEHI). FY 2011-12 CEHI called for \$31.3 million in savings, yet only \$20.9 million was achieved, resulting in a net increase. Savings resulted from reducing alert response vehicles and other facility administration changes. This item also accounts for six non-CEHI adjustments, which cause a net increase of \$500,000. | 10,926,500 |
| 3. Anticipated Increases. Neal, et al. settlement payment increased from \$15.0 million to \$20.0 million, \$3.5 million was added to allow for training of 210 additional corrections officers to replace retirees, \$5.4 million was added to adjust for facilities that had added additional beds, and \$2.4 million was added to support IT systems. | 16,377,000 |
| 4. Technical Adjustments and Transfers. Governor transferred \$1.0 million for swift-and-sure sanctions to Judiciary and \$250,000 for Legislative Ombudsman to the Legislature. Parole/probation fee shortfall was offset using \$0 Gross (but \$800,000 GF/GP), and \$500,000 was included to pay local agencies to temporarily hold parole violators. State restricted and Federal funding was adjusted down by a net of \$5.2 million. Restored \$3.8 million for prison storekeepers and \$175,000 to unclassified. | (1,975,800) |
| 5. Public Safety Initiative - Cities in Distress. Governor proposed additional public safety funding for projects such as providing additional jail space in in high crime areas of need. Conference concurred with Governor and added an additional \$250,000. | 4,750,000 |
| 6. Economic Adjustments. Included \$121,618,700 for OPEB, a negative \$84,204,900 for economics and \$13,225,900 for one-time lump sum payments (1% union, 2% nonunion). | 50,639,700 |
| 7. One-Time: Technology. Purchases five digital x-ray machines and file digitization software. | 1,129,500 |

Conference Agreement on Items of Difference

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| 8. Align Items with Current Year Spending. Conference reduced several items in which current year has had unspent funds: \$2.0 million from County Jail Reimbursement, \$1.4 million from Prisoner Re-Entry, \$2.9 million from clinical complexes, and \$9.0 million in restrict revenue from Public Works. | (15,318,800) |
| 9. Staffing Efficiencies and Contract Savings. Conference cut \$80,400 from each individual facility line item, and recognized efficiencies at Marquette, Newberry, Alger, and Southern Regional Office; other state-wide efficiencies were recognized due to contract savings and perimeter vehicles. Initiative to use retired officers on a part-time basis is planned to reduce overtime and save \$10.0 million. | (25,051,200) |
| 10. Other Savings Initiatives. Various items such and electronic law libraries and linens. | (3,250,000) |
| 11. Special Equipment Fund (SEF). Governor proposed spending \$19.2 million out of the SEF for various items. Conference rejected \$13.9 million in capital outlay projects, but accepted the remaining \$5.3 million for items such as TASERS and cell phone jammers. | 5,300,000 |
| 12. Position Reclassification. Resident Unit Officers converting to Corrections Officers, Assistant Resident Unit Supervisor converting to Prison Counselors, and Field Service Agents converting to Parole Supervision Assistants, all resulting in savings and aligning chain-of-command. | (12,630,000) |
| 13. Detroit Re-Entry Center. Repurposing Ryan Correctional Facility, closing Tuscola Parole Violator Facility, and Reopening Muskegon Correctional Facility to meet bed space needs. | 10,800,000 |

Total Changes	(\$13,583,500)
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FY 2012-13 Conference Report Ongoing/One-Time Gross Appropriation	\$2,000,915,900
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2011-12 Year-to-Date:Items Included by the Senate and House

1. **Employee Cost-Saving Suggestion Bonus.** Senate and House revised language for the employee cost-savings suggestions program to allow for a \$1,000 one-time bonus payment to an employee who suggests something that saves at least \$10,000. Conference dropped the revision and retained current year language due to feasibility concerns. (Sec. 304)

Conference Agreement on Items of Difference

2. **Deletions.** Conference agreed to delete the following sections: 213, 218, 221(2), 225, 235, 240, 301(2), 302, 404(2), 409, 416(all except subsection 4), 418(2&4), 426, 434, 602, 609, 801, 803, 805, 806(2&3), 808, 810, 813, 902, 903, 904, 920, 922, 927, 928, 932, 938.
3. **Intent to Use Third-Party Software.** House removed intent language instructing the Department to consider third-party software instead of Department of Technology, Management, and Budget software; Conference concurred. (Sec. 214)
4. **Out-of-State Travel.** House eliminated the restriction and instead required only a report. Senate retained current law; Conference adopted House version. (Sec. 216)
5. **Office Space Consolidation.** House states intent that MDOC participate in statewide reduction being implemented by Department of Technology, Management, and Budget. Senate did not include; Conference included. (Sec. 217)
6. **MPRI Reporting.** Senate bill reduces requirement for an amended report from each reallocation to quarterly; House dropped the amended report requirement entirely. Conference included Senate version. (Sec. 402)
7. **Parole Eligible Lifer Report.** Conference revised language to require report to list the reason for denial of parole for "each individual" inmate who had "high probability of release" but was denied. (Sec. 615)
8. **Mental Health Drugs.** Conference revised language to change "be provided with" to "have access to" in referring to the Department ensuring that parolees with mental illness are able to continue their medication regimen. (Sec. 807)
9. **Evaluation of Mentally Ill Prisoners.** Senate amendment adds the words "at least" to the following clause: "a [mentally ill] prisoner in therapeutic seclusion shall be evaluated *at least* every 12 hours by a mental health professional in order to remain in seclusion." House concurred with Governor's recommendation, which states "at a frequency defined in the mental health code." Conference version contains both requirements. (Sec. 924)
10. **Facility Evaluation and Economic Impact.** House adds language calling for evaluation of facilities for cost-effectiveness. If the evaluation shows a facility should be closed, the Department is tasked with encouraging private sector investment in that community. Senate did not include; Conference included. (Sec. 935)
11. **Competitive Bidding and Report.** Senate amends section to instruct Department to release requests for proposal for prison stores, food service, and 1,750 custody beds, in addition to the special alternative incarceration facility. Also requires a quarterly report on the status of competitive bids. Conference includes Senate revisions. (Sec. 939)
12. **Special Equipment Fund (SEF).** Senate added post-closure security and demolition to the list of acceptable SEF uses. House made uses of fund more restrictive by striking "including by not limited to" language; SEF would be exclusively for protection devices and contraband detection tools. In Sec. 219, House also added a reporting requirement that the Senate did not include. Conference utilized the House version. (Sec. 1001)
13. **Capital Outlay.** Consistent with the funding decision to remove Capital Outlay projects funded out of the Special Equipment Fund, the associated boilerplate sections were also removed. (Secs. 1003 and 1005)
14. **Information for Families of Prisoners.** Senate language requires the Department to produce and make available on their website a packet of information for families of prisoners on topics such as how to make phone calls and how to put money in prisoner accounts. House did not include; Conference included. (Sec. 1009)
15. **Religious Television Programming Donation.** Senate language instructs the Department to accept in-kind donations of services and equipment to provide for additional religious television programming; must be at no additional cost to the State; House did not include; Conference included. (Sec. 1011)

Date Completed: 5-25-12

Fiscal Analyst: Dan O'Connor