



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

BILL ANALYSIS



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

Senate Bill 50 (as reported by the Committee of the Whole)
Sponsor: Senator Darwin L. Booher
Committee: Michigan Competitiveness

CONTENT

The bill would amend the Corrections Code to do the following:

- Require the Department of Corrections (DOC) to implement a county jail bed savings program to house eligible prisoners sentenced to the custody of the DOC in county jails rather than in State correctional facilities.
- Allow counties to volunteer to participate in the program.
- Require the DOC to reimburse participating counties at a minimum rate of \$35 per day per prisoner, but allow the Legislature to negotiate with participating counties and allot any adjustment in the minimum rate proportionately to those counties upon appropriation.
- Provide that, if a participating county had available bed space in its jail, and the DOC had in its custody prisoners meeting the bill's eligibility requirements, the Department could place the eligible prisoners in the county jail.
- Require eligible prisoners to be in a least-restrictive classification, serving a fixed sentence with a determined discharge date, and not serving a sentence for a criminal sexual conduct offense.

Proposed MCL 791.265j

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State and local government. With a reimbursement rate of \$35 per day, it would cost the Department of Corrections \$12,775 per prisoner per year to house offenders in county jails under the program. In the short term, the marginal cost to house a prisoner in a State correctional facility is approximately \$3,764 per year. However, the long term marginal cost is \$34,550 per prisoner per year. The cost for counties varies by facility and other factors, so it is unknown whether the program would have a positive or negative fiscal impact on local government, but it is reasonable to assume that only counties that would see a positive fiscal impact would participate. The program could produce savings for the State if there were enough participation by the counties to allow the Department to close a housing unit or a facility. The average size of facilities that house large numbers of Level 1 security clearance inmates is approximately 1,770.

For a number of years, the Department has operated a leased beds program. A program similar to the one proposed by the bill, with offenders housed in jails in 14 counties at a cost of \$5,250,000 per year, was operated from January 2015 through September 2016. In the final year of the program, the participating counties' total capacity was 391 beds and counties were reimbursed \$35 per prisoner per day. The program was ended when fiscal year 2016-17 began, and the inmates were moved from county jails to State correctional facilities. The net saving to the State from ending the program is \$3,209,000 per year.

Date Completed: 2-1-17

Fiscal Analyst: Ryan Bergan

floor\sb50a

Bill Analysis @ www.senate.michigan.gov/sfa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.