

FY 2015-16: DEPARTMENT OF CORRECTIONS
Summary: As Reported by House Subcommittee
House Bill 4096 (H-1) Draft 1



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	FY 2014-15 YTD as of 3/12/15	FY 2015-16 Executive	FY 2015-16 House	FY 2015-16 Senate	FY 2015-16 Enacted	<i>Difference: House From FY 2014-15 YTD</i>	
						<i>Amount</i>	<i>%</i>
IDG/IDT	\$225,000	\$225,000	\$225,000			\$0	0.0
Federal	5,081,000	5,568,700	5,568,700			487,700	9.6
Local	8,547,700	8,533,200	8,533,200			(14,500)	(0.2)
Private	0	0	0			0	--
Restricted	48,769,600	42,950,700	42,950,700			(5,818,900)	(11.9)
GF/GP	1,960,098,400	1,918,948,400	1,908,948,400			(51,150,000)	(2.6)
Gross	\$2,022,721,700	\$1,976,226,000	\$1,966,226,000			(56,495,700)	(2.8)
FTEs	14,195.3	14,190.3	14,190.3			(5.0)	0.0

Note: FY 2014-15 year-to-date figures include mid-year budget adjustments through March 12, 2015 (including Executive Order 2015-5 and House Bill 4112), and include appropriation amounts designated as "one-time."

Overview

The Michigan Department of Corrections (MDOC) is responsible for the operation and maintenance of the state's 32 correctional facilities that house felony offenders sentenced to prison. This includes the provision of physical and mental health care, education, food service, transportation, and reintegration programs. The department is also responsible for the supervision of all parolees and probationers under department jurisdiction and has oversight over community corrections programs and other programs designed to encourage alternatives to prison placement for appropriate offenders. As of March 1, 2015, the department was responsible for 109,694 Michigan offenders: 43,340 prisoners, 49,643 probationers, and 16,711 parolees.

Major Budget Changes From FY 2014-15 YTD Appropriations

1. Remove One-Time Funding

Executive removes all one-time funding that was included in the FY 2014-15 budget:

- \$25.0 million for Neal, et al. Settlement Agreement
- \$1.0 million for Education Program one-time enhancement costs
- \$600,000 for 70 x 7 Life Recovery Muskegon Pilot program
- \$440,600 for Field Operations one-time mobilization costs.

House concurs.

	FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
Gross	\$27,085,900	(\$27,085,900)
GF/GP	\$27,085,900	(\$27,085,900)

2. Continuation of FY 2014-15 Executive Order Reductions

Executive reflects a savings from continuing, in the FY 2015-16 budget, various FY 2014-15 reductions that were included in Executive Order 2015-5:

- \$7.4 million and 5.0 FTE positions from correctional facility operating efficiencies and cost controls, and elimination of administrative vacancies
- \$4.0 million from the department purchasing electronic monitoring devices instead of leasing devices, and a reduced per day per device fee for the use of the associated technology
- \$1.8 million from recognizing typical year-end lapses in the County Jail Reimbursement Program line item (\$1.3 million) and the Prisoner Reentry Local Service Providers line item (\$500,000)
- \$1.0 million from a reduction in transportation costs resulting from increased use of tele-medicine, increased use of video-conferencing between prisoners and courts, and an increase in situations where friends and families pick up inmates upon their release from prison instead of the department having to transport them.

House concurs.

FTE	NA	(5.0)
Gross	NA	(\$14,100,000)
GF/GP	NA	(\$14,100,000)

Major Budget Changes From FY 2014-15 YTD Appropriations		FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change	
3. Utilize Special Equipment Fund Revenue to Offset GF/GP		Gross	\$45,929,900	(\$11,800,000)
<u>Executive</u> replaces portions of GF/GP funding for the Education Program line item (\$7.0 million) and the Prisoner Reentry MDOC Programs line item (\$2.0 million) with state restricted Special Equipment Fund revenue that is currently used to cover capital outlay, equipment, and special maintenance costs. <u>House</u> concurs with the Executive and replaces an additional \$2.8 million of GF/GP funding for the Education Program line item with the balance of appropriated Special Equipment Fund revenue.		Federal	1,229,700	0
		GF/GP	\$44,700,200	(\$11,800,000)
4. Eliminate Goodwill Flip the Script		Gross	\$2,500,000	(\$2,500,000)
<u>Executive</u> eliminates funding appropriated in FY 2014-15 for Goodwill Flip the Script. Funding was granted to Goodwill Industries of Greater Detroit in Wayne County to provide education, job training, and mentoring to roughly 800 troubled 16-29 year-olds, in an effort to keep them out of prison. <u>House</u> concurs.		GF/GP	\$2,500,000	(\$2,500,000)
5. Eliminate IDG to DHS for Swift and Sure		Gross	\$1,000,000	(\$1,000,000)
<u>Executive</u> eliminates funding appropriated in FY 2014-15 to be granted by the department to DHS to be used for expansion of the Swift and Sure Sanctions Probation Program through the Michigan Rehabilitative Services program. <u>House</u> concurs.		GF/GP	\$1,000,000	(\$1,000,000)
6. Closure of Kinross – Transfer Prisoners to Hiawatha		Gross	\$37,781,900	(\$2,000,000)
<u>Executive</u> reflects partial year savings as a result of the decision to close the Kinross Correctional Facility and transfer prisoners to the former Hiawatha Correctional Facility. Due to the size and outdated physical plant, the department has determined it would be more cost effective to close the Kinross facility. The planned facility changes are currently scheduled for November 2015, yielding a partial year savings. <u>House</u> concurs.		GF/GP	\$37,781,900	(\$2,000,000)
7. Transfer Jail Mental Health Transition Pilot Program to DCH		Gross	\$1,000,000	(\$1,000,000)
<u>Executive</u> reflects the transfer of the Jail Mental Health Transition Pilot Program to DCH in an effort to streamline mental health diversion services, programs, and projects. <u>House</u> concurs.		GF/GP	\$1,000,000	(\$1,000,000)
8. Program and Fund Source Adjustments		Gross	\$81,318,900	(\$2,356,900)
<u>Executive</u> makes the following program and fund source adjustments. The adjustments have no GF/GP impact on the budget:		Federal	1,229,700	495,500
• Eliminates the Public Works Program due to non-utilization (\$1.0 million)		Restricted	13,321,300	(2,852,400)
• Eliminates the Parole and Probation Oversight Fees Set-Aside fund source included in the budget for the Community Reentry Centers line item (\$421,300)		GF/GP	\$66,767,900	\$0
• Increases authorization to receive additional federal Title I funding to be used for prisoner education programs (\$495,500)				
• Includes state restricted fund source authorization for the Information Technology Services and Projects line item (\$866,300)				
• Reduces funding for Prison Industries Operations as a result of eliminating operations at three facilities, downsizing operations at one facility, and reducing administrative costs (\$2.3 million).				
<u>House</u> concurs.				
9. Technical Adjustments		Gross	NA	\$0
<u>Executive</u> makes internal funding adjustments and transfers throughout the budget. The adjustments have no overall Gross or GF/GP impact and are made in order to more accurately reflect where expenditures occur and to reflect reorganization within the department. <u>House</u> concurs.		GF/GP	NA	\$0
10. Economic Adjustments		Gross	NA	(\$5,252,900)
<u>Executive</u> reflects a net cost reduction for increases in salary and wage costs, insurance rates, and private rent costs, and reductions in actuarially-determined retirement rates, building occupancy charges, and worker's compensation costs. <u>House</u> concurs.		Federal	NA	(7,800)
		Local	NA	(14,500)
		Restricted	NA	(66,500)
		GF/GP	NA	(\$5,164,100)

Major Budget Changes From FY 2014-15 YTD Appropriations	FY 2014-15 Year-to-Date (as of 3/12/15)	FY 2015-16 House Change
11. House Funding Reductions	Gross	NA
<u>House</u> eliminates or reduces funding for the following line items:	GF/GP	NA
• Eliminates funding for Public Safety Initiative (\$4.5 million)		(\$7,200,000)
• Eliminates funding for Prisoner Reentry Legal Services (\$149,000)		(\$7,200,000)
• Reduces funding for Field Operations (\$1.0 million)		
• Reduces funding for Northern Region Administration and Support (\$100,000)		
• Reduces funding for Southern Region Administration and Support (\$250,000)		
• Reduces funding for Administrative Hearings Officers (\$100,000)		
• Reduces funding for Housing Inmates in Federal Institutions (\$100,000)		
• Reduces funding for Leased Beds and Alternatives to Leased Beds (\$100,000)		
• Reduces funding for Clinical and Mental Health Services and Support ((\$901,000)		

Major Boilerplate Changes From FY 2014-15

Sec. 204. Investment of Budgetary Savings – DELETED

Expresses legislative intent that budgetary savings achieved are to be invested in early childhood education, K-12 education, higher education, local law enforcement entities through revenue sharing, and roads, in an effort to reduce high crime rates in the state. Executive deletes. House deletes.

Sec. 206. Disciplinary Action Against State Employees – REVISED

Prohibits MDOC from taking disciplinary action against employees for communicating with legislators or their staff. Executive deletes. House retains and revises to include prohibition of disciplinary action against prisoners for communicating with legislators or their staff.

Sec. 207. State Employees and Competitive Bidding – DELETED

Authorizes state employees to competitively bid on contracts for services that are or were provided by state employees; requires state employment to cease if bids are successful. Executive deletes. House deletes.

Sec. 212. FTE Positions and Long-Term Vacancy Report – DELETED

Requires MDOC to report on the number of FTE positions in pay status, to include an accounting of long-term vacancies. Executive deletes. House deletes.

Sec. 219. Prisoner Telephone Calls and Special Equipment Fund– REVISED

Requires prisoner telephone service contracts to contain a condition that prisoner telephone fees be the same as those applying outside of institutions, except for surcharges needed to meet special equipment costs; outlines conditions on Special Equipment Fund revenue; authorizes carry forward of unexpended revenue; requires a report on revenue and expenditures. Executive deletes \$2.0 million earmark of Special Equipment Fund revenue for prisoner programming, and changes the name of the fund to "Program and Special Equipment Fund". House revises to reflect use of the entire \$11.8 million in Special Equipment Fund revenue appropriated in the budget for prisoner programming, and concurs with the Executive on changing the name of the fund.

Sec. 232. Security Levels of Prisoners Past Earliest Release Dates – DELETED

Requires MDOC to report on the security levels of all prisoners who were classified as past their earliest release date. Executive deletes. House deletes.

Sec. 238. Repurposing of Closed Correctional Facilities – DELETED

Expresses legislative intent that MDOC make additional efforts to sell, rent, or otherwise repurpose closed correctional facilities. Executive deletes. House deletes.

Sec. 304. Staff Suggestions – DELETED

Requires MDOC to maintain a staff savings initiative program to invite staff to suggest cost savings for the department. Executive deletes. House deletes.

Sec. 305. Report on Prisoner Suicides – DELETED

Requires MDOC to report on prisoner suicides, including information on the circumstances of each suicide and MDOC's response to each. Executive deletes. House deletes.

Sec. 402. Prisoner Reentry and Expenditures – REVISED

Expresses legislative intent that reentry appropriations be expended for reducing victimization by reducing offender recidivism through specified programs and services; requires MDOC to report on actual prior-year and planned current-year expenditures and allocations. Executive deletes. House deletes the intent language, but retains the reporting requirement.

Major Boilerplate Changes From FY 2014-15

Sec. 403. LEAN Process to Reduce Program Backlog – DELETED

Requires MDOC to issue a request for proposal (RFP) to institute a LEAN process to determine ways to reduce the backlog for programming for prisoners who are within six months of their earliest release date; requires a report on outcomes of the LEAN process. Executive deletes. House deletes.

Sec. 404. Staff Associated With LEAN Process – DELETED

Authorizes MDOC to hire additional staff on a temporary basis to assist with instituting LEAN process principles and to provide programming to prisoners who are past their earliest release dates. Executive deletes. House deletes.

Sec. 406. Expansion of Swift and Sure Sanctions Program – DELETED

Requires MDOC to provide \$1.0 million in IDG funding to DHS to expand the Swift and Sure Sanctions program through the Michigan Rehabilitative Services program. Executive deletes. House deletes.

Sec. 409. Workforce Development – DELETED

Requires MDOC to work with state agencies and local entities to coordinate reentry and vocational education programs for prisoners to encourage employment of prisoners upon release from prison. Executive deletes. House deletes.

Sec. 411. Community Corrections Comprehensive Plans – DELETED

Establishes requirements for community corrections comprehensive plans. Executive deletes. House deletes.

Sec. 412. Community Corrections Biannual Report – DELETED

Specifies details to be included in the biannual report that is required by the Community Corrections Act, 1988 PA 511. Executive deletes. House deletes.

Sec. 413. Community Corrections and Jail Data – DELETED

Requires development of certain databases on local correctional trends and jail utilization; requires county cooperation in providing necessary jail data. Executive deletes. House deletes.

Sec. 419. Offender Data Reports – REVISED

Requires MDOC to provide weekly electronic mail reports on offender populations by location, facility capacities, prison intake and returns, and parole board activity; requires MDOC to provide monthly electronic mail reports on end-of-the-month prisoner populations in county jails, operating capacities, and data on community residential program populations, parole board activity, and prisoner intakes, returns, and exits. Executive retains. House retains and revises to include weekly reporting on security levels of prisoners and monthly reporting on the number of prisoners classified as past their earliest release dates.

Sec. 420. Report on Department Efficiencies – DELETED

Requires MDOC to report on performance data and efforts to improve efficiencies relative to departmental staffing, health care services, food service, prisoner transportation, mental health care services, and pharmaceutical costs. Executive deletes. House deletes.

Sec. 421. Mental Health Diversion Council – DELETED

Expresses legislative intent that the \$1.0 million appropriation for the Jail Mental Health Transition Pilot Program is to be used to address recommendations of the Mental Health Diversion Council. Executive deletes. House deletes.

Sec. 431. Clothing for Exiting Prisoners – DELETED

Requires MDOC to ensure each exiting prisoner has a set of clothing suitable for job interviews, if requested by the prisoner. Executive deletes. House deletes.

Sec. 434. Programs to Employ Parolees in Agricultural Settings – DELETED

Requires MDOC to explore opportunities to collaborate with Michigan colleges and universities on establishing programs that will employ parolees in agricultural settings. Executive deletes. House deletes.

Sec. 435. Prisoner Reentry Legal Services – DELETED

Requires MDOC to contract with Kent and Oakland Counties to establish pilot projects to provide outreach, education, and legal representation to former offenders in areas such as employment, housing, income stability, and child custody and other domestic matters; requires Oakland County to provide services to former offenders in Wayne County. Executive deletes. House deletes.

Sec. 436. Genesee County Jail Backlog – DELETED

Requires MDOC to establish a workgroup with the Genesee County Sheriff's Department and the City of Flint Police Department to develop and implement a long-term strategic plan to ease county jail backlog and to reduce the need for department intervention. Executive deletes. House deletes.

Sec. 437. Goodwill Flip the Script – DELETED

Requires MDOC to contract with a nonprofit entity in a county with greater than 1.5 million people to provide persons aged 16-29 with education, job training, and mentoring in an effort to keep them out of prison. Executive deletes. House deletes.

Major Boilerplate Changes From FY 2014-15

Sec. 504. Consolidation of Transportation Services – DELETED

Requires MDOC to work with DCH, MDOT, DHS, and MSF to determine if the state can maximize its services and funding for transportation for low-income, elderly, and disabled individuals through consolidation of transportation services. Executive deletes. House deletes.

Sec. 505. Mental Health Awareness Training – DELETED

Requires mental health awareness training for new custody staff and ongoing training for all custody staff dealing with prisoners with mental illness. Executive deletes. House deletes.

Sec. 508. Analysis of Physical Structure of Facilities – REVISED

Requires MDOC to analyze the structural integrity and overall quality of correctional facilities it owns or operates; requires a report on facility maintenance and utility costs, and plans for capital improvement costs. Executive deletes. House deletes requirement to analyze the structural integrity of facilities, but retains the reporting requirement.

Sec. 509. Study on Michigan State Industries Program – DELETED

Requires MDOC to conduct a study on the Michigan State Industries program that focuses on determining which industries have the maximum benefit to prisoners in providing marketable skills and leading to employment; requires a report on production, operating budget, number of prisoners participating, and purchasers of products. Executive deletes. House deletes.

Sec. 510. Administration of Healthy Michigan Plan – DELETED

Requires MDOC to work with DCH to establish an accounting structure that will allow expenditures associated with administration of the Healthy Michigan Plan to be identified. Executive deletes. House deletes.

Sec. 511. Strategic Plan Reporting – DELETED

Requires MDOC to report on strategies to decrease recidivism rates, strategies to increase rehabilitative function of correctional facilities, metrics to track and ensure prisoner readiness to re-enter society, and constructive actions for providing prisoners with life skills development. Executive deletes. House deletes.

Sec. 601. Parole and Probation Agent Caseload Audits – DELETED

Requires caseload audits of field agents to evaluate their ability to complete their professional duties. Executive deletes. House deletes.

Sec. 608. Electronic Monitoring Report – DELETED

Requires MDOC to report on the electronic monitoring program, particularly on the use of global positioning system (GPS) tethers. Executive deletes. House deletes.

Sec. 612. Violators of Parole and Probation – REVISED

Requires MDOC to develop proposals for alternatives to prison for technical violators of parole and probation, and to report on certain program impacts on probationers and parolees. Executive deletes. House deletes the requirement that the department develop proposals for alternatives to prison, but retains the reporting requirement.

Sec. 802. Health Care Expenditures – REVISED

Requires MDOC to report on expenditures, allocations, and projected expenditures from accounts for prisoner health care; requires MDOC to provide regular updates on the progress of health care requests for proposals. Executive deletes. House retains the reporting requirement, but deletes the requirement to provide updates on the progress of RFPs.

Sec. 803. Standard Medical Release Form – REVISED

Requires MDOC to establish a standard medical release form for all prisoners, and to give all prisoners the opportunity to sign a release form, effective for one year, designating a family member or other individual to whom the department is authorized to release information. Executive deletes. House deletes the requirement to establish the release form, but retains the balance of the section.

Sec. 804. Health Care Utilization Reports – REVISED

Requires MDOC to report on prisoner health care use, including emergency room visits, outpatient visits, and inpatient stays; requires MDOC to report on prisoners receiving off-site, in-patient medical care that would have been provided on-site if beds were available. Executive retains the requirement to report on prisoner health care use, but deletes the requirement to report on prisoners receiving off-site, in-patient medical care that would have been provided on-site if beds were available. House concurs with the Executive, but adds the number of prisoners receiving off-site, in-patient care to the report on prisoner health care use.

Sec. 805. Health Care Coverage for Dependents – DELETED

Requires MDOC to determine eligibility of prisoners aged 26 years and under for dependent health care coverage. Executive deletes. House deletes.

Sec. 812. Medicaid Utilization by Prisoners – DELETED

Requires MDOC and DHS to exchange information regarding newly-committed prisoners who may be Medicaid-eligible; requires MDOC to assist outgoing prisoners with Medicaid enrollment; requires a report on Medicaid utilization by prisoners. Executive deletes. House deletes.

Major Boilerplate Changes From FY 2014-15

Sec. 814. Psychotropic Medications for Prisoners – DELETED

Requires MDOC to assure psychotropic medications are available, when deemed medically necessary by licensed medical service providers, to prisoners with diagnosed mental illness but not enrolled in mental health services. Executive deletes. House deletes.

Sec. 816. Pharmaceutical Expenditures and Prescribing Practices – DELETED

Requires MDOC to report on expenditures for antipsychotic medications and changes to prescription drug formularies. Executive deletes. House deletes.

Sec. 904. Cost Per Prisoner Per Day – DELETED

Requires MDOC to report on per diem costs for each custody level, specifying actual direct and indirect costs for previous fiscal year, including allocation of statewide legacy costs. Executive deletes. House deletes.

Sec. 906. Public Works Program – DELETED

Requires local governments and non-profit private organizations that contract with MDOC for public works services to be responsible for financing the entire cost of services. Executive retains. House deletes.

Sec. 911. Critical Incidents in Prisons – REVISED

Requires MDOC to report on the number of critical incidents, assaults, and escape attempts at each prison facility by month. Executive deletes. House retains and revises to include the number of suicides and attempted suicides.

Sec. 915. Program to Allow Graduate Students to Teach Programming – DELETED

Requires MDOC to explore opportunities to collaborate with Michigan universities to establish programs that will allow graduate students to work in correctional facilities teaching programming that is a condition of parole. Executive deletes. House deletes.

Sec. 937. Competitive Bidding – DELETED

Prohibits MDOC from issuing a RFP for a contract in excess of \$5.0 million unless MDOC has first considered a request for information (RFI) or a request for qualification (RFQ) relative to that contract. Executive deletes. House deletes.

Sec. 938. Skilled Nursing Facility for Geriatric and Medically Fragile – DELETED

Requires MDOC, in consultation with DTMB and DCH, to issue an RFI for a contract to provide beds in a skilled nursing facility for placement of geriatric and medically fragile prisoners, so that these prisoners are eligible for Medicaid reimbursement. Executive deletes. House deletes.

Sec. 940. Use of State-Owned Facilities – DELETED

Requires any for-profit entities using state-owned facilities to pay fair market value for use of facilities and to make payments in lieu of taxes to local jurisdictions equivalent to what local units would receive if facilities were privately-owned. Executive deletes. House deletes.

Sec. 1011. Religious Cable Programming – DELETED

Requires MDOC to accept in-kind services and equipment donations to facilitate the addition of a cable network that provides religious programming for prisoners; prohibits costs to the state for adding channels. Executive deletes. House deletes.

Sec. 1051. Capital Outlay Appropriations – DELETED

Authorizes carry forward of capital outlay appropriations. Executive deletes. House deletes.

Sec. 1201. Anticipated FY 2015-16 Appropriations – DELETED

Expresses legislative intent that FY 2015-16 appropriations will be funded at same level as FY 2014-15 appropriations, adjusting for caseloads, federal fund match rates, economic factors, and available revenue. Executive deletes. House deletes.