SFA BILL ANALYSIS

Senate Fiscal Agency • Lansing, Michigan 48909 • (517) 373-5383

Senate Bill 60 (Substitute S-3 as reported)
Sponsor: Senator Jack Welborn
Committee: Local Government and Veterans

Date Completed: 4-19-89

RATIONALE

Local units of government are often called upon to provide services in conjunction with correctional facilities located in a unit for which the local unit may or may not be reimbursed. For example, local units of government are required to provide fire protection services to State facilities, including correctional facilities, but are reimbursed for only about 35% of their costs because the fire protection payments program is underfunded. Moreover, local units must underwrite the costs of prosecuting prisoners for new offenses committed within the correctional facilities, a financial burden that can motivate a local unit to drop charges against a prisoner.

One way in which local units of government can recoup some of the costs of providing services for correctional facilities is through the State revenue sharing program, since revenue sharing payments are based on a unit's population and local units may include a portion of their prisoner population in their total population census. Currently, however, only 50% of the prisoner population may be included in the total population count, and regardless of any increase or decrease in the prisoner population, the total population count remains unchanged until the next Federal decennial or mid-decade census or special State census is conducted. Thus, for example, a county with a prisoner population of 200 in 1980 may include only 100 prisoners in its total population count for purposes of determining that county's revenue sharing payments despite the fact that the county's prisoner population may have increased threefold since 1980, and the county must provide services based on the increased number of prisoners. It has been suggested, therefore, that local units be allowed to include all prisoners in their total population counts and that a local unit's total population count be adjusted more frequently to take into account fluctuations in prison populations for the purpose of determining the unit's revenue sharing payments.

CONTENT

The bill would amend the State Revenue Sharing Act, which provides for the distribution of certain State revenues to cities, villages, townships, and counties, to require the Department of Corrections to certify an annual census of prisoners committed to State penal institutions and a census of prisoners committed to each newly operational penal institution (six months after the institution began operation), and to require that calculation of a local unit's population for the purpose of determining revenue sharing payments include 100% of the local unit's prisoner population as certified in the Department of Corrections census.

Specifically, the bill provides that each year on the last day of December that was not a Saturday, Sunday, or legal holiday, the Director of the Department of Corrections (DOC) would have to certify to the Department of

Management and Budget (DMB) the DOC's latest census of prisoners committed to each State tax-supported penal institution. Further, if a State tax-supported penal institution began operation in a month other than June or July, then on the first day 180 days after the institution began operation that was not a Saturday, Sunday or legal holiday, the Director of the DOC would have to certify to the Department of Management and Budget the DOC's latest census of prisoners committed to that institution. For the purpose of making revenue sharing payments to local units of government after the date of certification but before October of the year for which the next statewide Federal census or special statewide census was conducted, the computations of population of the county and of the city, village, or township in which a State tax-supported penal institution was located would have to be adjusted to reflect 100% of the number of prisoners committed to that institution according to the census certified by the DOC.

MCL 141.903

BACKGROUND

The following table shows the total prison populations for selected Michigan correctional facilities in six counties in 1980 and in 1989. The source of data is the Department of Corrections Statistics Book for 1988.

Bureau of Correctional Facilities: Prisoner Populations by Facility and County

	12-31-80	1-4-89	Change
Marquette			
Branch Prison	937	897	(40)
Chippewa			
Kinross	618	1,264	646
Chippewa Temp.	0	947	947
Subtotal	618	2,211	1,593
Allegan			
MI Dunes	368	450	82
Ionia			
Reformatory	1,336	1,208	(128)
Riverside	679	979	300
I MAX	0	433	433
I Temp.	0	960	960
MTU	759	1,137	378
Subtotal	2,774	4,717	1,943
Jackson			
SPSM	5,581	5,064	(517)
Cotton	0	1,261	1,261
Jackson Temp.	0		
Subtotal	5,581	6,325	744
Muskegon			
Muskegon	614	1,019	405
Muskegon Temp.	0	950	950
Subtotal	614	1,969	1,555

FISCAL IMPACT

The passage of Senate Bill 60 would have no fiscal impact on State government. The bill would result in a shifting of State revenue sharing payments to cities, villages, townships, and counties with prisons from those without prisons. The overall amount of these payments would remain unchanged. The amount of revenue sharing payments that would be redistributed in FY 1989-90 is approximately $735,000.

ARGUMENTS

Supporting Argument

Allowing local units of government to include all prisoners incarcerated in their prisons in the units' total population count and providing for more frequent adjustments of a unit's population to account for prisoner population fluctuations would help to compensate local units for providing services for correctional facilities and prisoners. The bill also could serve as an incentive to local units to "host" one of the ever increasing number of prisons that the State is planning to build.

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