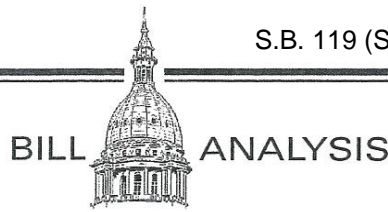




Senate Fiscal Agency
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Senate Bill 119 (S-1 as reported)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	14,179.3	14,174.3	(5.0)	(0.0)
GROSS	2,022,721,700	1,961,726,000	(60,995,700)	(3.0)
Less:				
Interdepartmental Grants Received	225,000	225,000	0	0.0
ADJUSTED GROSS.....	2,022,496,700	1,961,501,000	(60,995,700)	(3.0)
Less:				
Federal Funds.....	5,081,000	5,568,700	487,700	9.6
Local and Private	8,547,700	8,533,200	(14,500)	(0.2)
TOTAL STATE SPENDING.....	2,008,868,000	1,947,399,100	(61,468,900)	(3.1)
Less:				
Other State Restricted Funds.....	48,769,600	42,950,700	(5,818,900)	(11.9)
GENERAL FUND/GENERAL PURPOSE.....	1,960,098,400	1,904,448,400	(55,650,000)	(2.8)
PAYMENTS TO LOCALS	115,714,000	114,323,600	(1,390,400)	(1.2)

FY 2014-15 Year-to-Date Gross Appropriation \$2,022,721,700

Changes from FY 2014-15 Year-to-Date:

- 1. Restoration of One-Time Executive Order 2015-5 Cuts.** Governor restored funding to budget lines which had been cut in Executive Order 2015-5 on a one-time basis for FY 2014-15. Senate concurred. 4,700,000
- 2. Parole Sanction Certainty Pilot Program.** Senate initiated pilot program designed to bring sanction certainty to technical parole violators to reduce returns to prison. 500,000
- 3. Goodwill 'Flip the Script' Program.** Governor excluded program from budget proposal. Senate rejected the cut and restored funding. 0
- 4. IDG to DHS for Swift-and-Sure.** Governor withdrew \$1.0 million GF/GP in program funding in budget recommendation. Senate rejected the cut. 0
- 5. Neal et al. Litigation Settlement Expiration.** Governor removed \$25.0 million GF/GP settlement payments with the Neal et al. civil case. Senate concurred. (25,000,000)
- 6. Unified Physical/Mental Health Care Contract Savings.** Senate reduced aggregated healthcare line item by \$15.0 million to recognize 7% savings from Governor's budget as expected unified health care contract realizes reductions in overhead and administrative cost burden as has occurred in other states. (15,000,000)
- 7. Program and Special Equipment Fund Shift.** Governor shifted \$9.0 million of restricted funds to replace GF/GP for education and re-entry services to align budget priorities. Senate concurred. (9,000,000)
- 8. Facility Operating Efficiencies.** Senate reduced funding by \$3.5 million GF/GP through 'mid-year' true-up adjustment which reflects expenditures forecasted to be below the appropriated line-item amount. (3,500,000)

FY 2015-16 CORRECTIONS BUDGET

9. One-Time Funding Removal. Governor cut one-time costs for education enhancements, field mobilization costs, and the 70 x 7 life recovery program. Senate concurred.	(2,085,900)
10. Kinross/Hiawatha Facility Swap. Governor recognized \$2.0 million GF/GP savings from transition of prisoners from Kinross to the Hiawatha facility in the Upper Peninsula. Senate concurred.	(2,000,000)
11. Electronic Monitoring Center Savings. Governor identified \$1.0 million in funds that can be eliminated by the State purchasing rather than leasing the GPS and radio tethers. Senate concurred.	(1,000,000)
12. Relocation of Mental Health Pilot to DCH. Governor moved this program to the DCH budget and Senate concurred.	(1,000,000)
13. Economic Adjustments. Includes a negative \$14,406,000 Gross and a negative \$14,772,500 GF/GP for OPEB and \$9,153,100 Gross and \$9,608,400 GF/GP for other economic adjustments. Senate concurred.	(5,252,900)
14. Other Changes. Governor reflected reduction in restricted revenue amounts. Senate concurred.	(2,356,900)
15. Comparison to Governor's Recommendation. The Senate is \$14,500,000 Gross and \$14,500,000 GF/GP under the Governor.	
Total Changes	(\$60,995,700)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$1,961,726,000

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Deletions.** The Governor proposed the elimination of the majority of the current-year boilerplate; the approximately fifty-eight Sections or subsections proposed for elimination include: 204, 206, 207, 212, 214, 232, 238, 239, 247, 304, 305, 402, 403, 404, 406, 407, 409, 411, 412, 413, 417, 418, 420, 421, 431, 434, 435, 436, 437, 504, 505, 508, 509, 510, 511, 601, 608, 611, 612, 615, 802, 803, 804(2), 805, 812, 814, 816, 904, 907, 911, 912, 913, 915, 937, 938, 940, 1011, 1051, and 1201. The deletions include a variety of reporting requirements, statements of legislative intent, and guidance on certain programs such as the LEAN program, Swift-and-Sure IDG to DHS, and the workforce development language. Senate concurred with ten of the deletions including 204, 404, 431, 435, 436, 504, 508, 510, 938, and 1051. Senate restored or modified the other sections deleted by the Governor.
2. **Definitions.** Fourteen definitions were eliminated from the bill, ranging from simple acronyms such as FTE meaning "full time equivalent", to broader definitions for concepts such as recidivism and cost per prisoner. Twenty-four definitions would remain in the bill with such terms as: full-time equivalent, offender target population, and serious mental illness. Senate concurred with Sec. 203(o), 203(r), and 203(t) deletions but restored all other definitions as well as adding Sec. 203 (m) "EPIC" program.
3. **Program and Special Equipment Fee Language Change.** Governor changed name of fund from 'special equipment fund' to 'program and special equipment fund'. Senate concurred with updated language. (Sec. 5-219)
4. **Contingency Funding Allowance Increase.** Governor increased the amount of State contingency funds allowed to be collected increased from \$5,000,000 to \$10,000,000 for the potential use for State restricted contingency if needed in FY 2015-16 in accordance with the program and special equipment fund shift. (Sec. 5-229(2)). Senate concurred.
5. **Updated Amounts for Total Legacy Costs.** Governor updated total legacy costs section, the pension-related costs are: \$188,628,700 and the retiree health care costs are: \$143,701,900. Senate concurred with the update. (Sec. 5-246)
6. **Performance Metrics Language.** Governor did not include language. Senate modified language to update the requirements from the Department. The following thirteen line-items in the Senate recommendation would be subject to the current modified language: Executive direction, Reentry services, Education program, Community corrections, felony drunk driving, Residential services, Field operations, Parole sanction certainty pilot program, Substance abuse testing and treatment services, clinical and mental health services and support, Detroit re-entry center, Muskegon Correctional Facility, Southern region administration and support. (Sec. 5-247)

7. **Staff Savings Report.** Senate modified language to add a response time component as well as reporting requirement to inform outcomes from staff suggestions. (Sec. 5-304)
8. **Effective Process Improvement and Communication (EPIC) Report.** Senate removed LEAN programming process language and added reporting requirement on EPIC program. (Sec. 5-403)
9. **County Jail Reporting.** Senate added subsection for county jail capacity and occupancy for those counties which accept funds. (Sec. 5-414)
10. **Parole Sanction Certainty Pilot Program.** Senate add language to detail guidance on expenditures for this pilot program. (Sec. 5-421)
11. **MSI/Prosperity Region Nexus.** Senate modified Michigan State Industries reporting language to include labor force demand data as well as an identification of skills shortages in the Michigan Prosperity regions to achieve connection between program and geographic labor needs. (Sec. 5-509)
12. **Changes to Offsite Inpatient Medical Care Reports.** Governor deleted reporting requirement concerning off-site inpatient medical care and average length of stay in an off-site facilities. Senate restored language. (Sec. 5-804(2))
13. **Cost Per Prisoner Report.** Senate added language to add marginal cost per prisoner by age cohort as another data point in the existing report. (Sec. 5-904)
14. **Community Colleges Programming Eligibility.** Senate added language to allow for undergraduates and community colleges to find opportunities to collaborate with the Department on providing programming. (Sec. 5-915)

Date Completed: 4-16-15

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