



Senate Fiscal Agency
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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2016-17 YEAR-TO-DATE	FY 2017-18 CONFERENCE	CHANGES FROM FY 2016-17 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	13,803.9	13,803.9	0.0	0.0
GROSS	2,002,729,000	1,996,919,200	(5,809,800)	(0.3)
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	2,002,729,000	1,996,919,200	(5,809,800)	(0.3)
Less:				
Federal Funds.....	5,523,700	5,293,800	(229,900)	(4.2)
Local and Private	8,692,800	8,842,400	149,600	1.7
TOTAL STATE SPENDING	1,988,512,500	1,982,783,000	(5,729,500)	(0.3)
Less:				
Other State Restricted Funds.....	36,554,600	41,149,400	4,594,800	12.6
GENERAL FUND/GENERAL PURPOSE	1,951,957,900	1,941,633,600	(10,324,300)	(0.5)
PAYMENTS TO LOCALS	111,888,200	109,388,800	(2,499,400)	(2.2)

FY 2016-17 Year-to-Date Gross Appropriation \$2,002,729,000

Changes from FY 2016-17 Year-to-Date:

Items Included by the Senate and House

1. **Oncology.** Governor provided for increased caseload and associated specialty care costs for cancer. Senate and House concurred. 2,328,300
2. **Fiscal Year 2018 DTMB Rate Changes.** Impact of new per user fee structure. Senate and House concurred. 1,500,000
3. **One-Time Funding Removal.** Governor eliminated one-time funding for officer academy in FY 2016-17 and ballistic vests. Senate and House concurred. (8,987,400)
4. **Pugsley Facility Closure.** Governor recognized savings from lower than anticipated Pugsley facility closure costs. Senate and House concurred. (800,000)
5. **Unclassified Salaries.** Includes \$53,800 Gross and \$53,800 GF/GP for unclassified salaries. Senate and House concurred. 53,800
6. **Economic Adjustments.** Includes a negative \$5,341,700 Gross and \$5,275,700 GF/GP for OERC and \$17,731,100 Gross and \$17,487,500 GF/GP for other economic adjustments. Senate and House concurred. 12,389,400
7. **Other Changes.** Governor eliminated placeholder for the cost effective housing initiative, removed excess authorization for administrative hearings officers and inmate legal services, aligned authorization with anticipated restricted revenues, adjusted IDGs to account for payroll increases, and funded a rent increase for Grandview Plaza. Senate and House concurred. (501,300)

Conference Agreement on Items of Difference

8. New Custody Staff Training. Governor and House included \$4,359,000 for an officer academy with an expected graduated class of 177 to address higher than anticipated attrition. Senate did not include due to prisoner population decrease. Conference concurred with the Governor.	4,359,000
9. Trinity Food Service Contract. Governor and House funded contractual inflationary adjustment of \$4,036,000. Senate reduced adjustment \$1,632,500 due to prisoner population decrease. Conference reduced adjustment \$1,000,000.	3,036,000
10. High School Online Equivalency Pilot. Senate included funding for a pilot project for 400 inmates to complete a career-based online high school diploma. Conference concurred.	3,000,000
11. Future Facility. Governor and House removed \$100 placeholder for future facility. Senate restored placeholder and increased funding to \$4,362,300 to help fund transition costs to a new facility. Conference included \$1,000,000 for staff transition costs.	999,900
12. Criminal Justice Reinvestment. Governor and House maintained current year funding. Senate increased funding \$2,925,100 for evidence-based programs designed to reduce recidivism. Conference increased funding \$925,100.	925,100
13. Health care population savings. Governor and House funded inflationary and cost-per-prisoner contract adjustments of \$3,511,900. Senate recognized total savings of \$9,989,000 from the Governor due to prisoner population decrease. Conference recognized \$3,000,100 in savings from the Governor.	511,800
14. Federally Qualified Health Centers. Senate included a pilot program to link parolees and probationers with Federally Qualified Health Centers to ensure their behavioral and physical health needs are addressed. Conference concurred.	75,000
15. Correctional facilities. Senate recognized population savings of \$41,614,300 across all facilities due to prisoner population decrease. Conference recognized \$10,000,000 of savings across all facilities except Women's Huron Valley Correctional Facility.	(10,000,000)
16. Hepatitis C. Governor aligned funding (\$3,199,500 decrease) with anticipated Hepatitis C caseload (F2-F4 metavir scores). Senate reduced funding \$6,767,500 from the Governor due to a decrease in the price of medication. House reduced funding \$5,000,000 from the Governor due to the decrease of the price of the medication. Conference included \$6,000,000 of savings from the Governor.	(9,199,500)
17. Public Safety Initiative. Governor and Senate maintained current year funding. House reduced funding \$3,500,000 for the program. Conference concurred with the House.	(3,500,000)
18. Supervising Region Incentive Program. Governor and House eliminated \$2,518,600 ongoing and \$481,300 one-time dedicated funding for the Supervising Region Incentive Program. Senate restored funding and increased funding to a total of \$5,000,000. Conference restored funding to a total of \$1,000,000.	(1,999,900)
19. County Jail Reimbursement Program. Governor and House maintained current year funding. Senate increased funding for the program. Conference maintained current year funding.	0
20. Education Program. House shifted \$1,500,000 GF/GP to the program and special equipment fund. Conference shifted \$2,500,000 GF/GP to the program and special equipment fund.	0
21. Goodwill Flip the Script. Governor eliminated dedicated funding for Goodwill Flip the Script program. Senate restored funding and increased funding to a total of \$3,000,000. House restored funding to current-year level (\$1,500,000). Conference concurred with the House.	0
22. Leased Beds and Alternatives to Leased Beds. Governor and House maintained current year funding. Senate increased funding for the leased beds program. Conference maintained current year funding.	0
23. Prisoner Reentry MDOC Programs. House increased funding for medication-assisted treatment (MAT) \$500,000 and shifted \$2,000,000 GF/GP to the program and special equipment fund. Conference did not include MAT increase and shifted \$2,500,000 GF/GP to the program and special equipment fund.	0

- 24. **Work for Restitution Program.** Senate included funding for crime victims and their families through the offender's work in prison. Conference did not include. 0
- 25. **Wayne County Residential Alternative to Prison program.** Governor and House maintained current-year funding. Senate removed funding for the program. Conference maintained current-year funding for the program. 0
- 26. **Westside Residential Alternative to Prison Program.** Governor and House included \$1,500,000 for a new alternative sentencing program for probation violators in thirteen West Michigan counties. Senate did not include. Conference concurred with the Senate. 0
- 27. **FY 2017-18 One-Time Gross Appropriations.** Conference included \$4,147,000 GF/GP one-time for new custody staff training (item #8 above).

Total Changes	(\$5,809,800)
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FY 2017-18 Conference Report Ongoing/One-Time Gross Appropriation	\$1,996,919,200
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Amount Over/(Under) GF/GP Target:

Boilerplate Changes from FY 2016-17 Year-to-Date:

Items Included by the Senate and House

1. **Section numbering.** Governor renumbered several sections and edited headings to maintain consistency across all budget areas. Senate and House concurred.
2. **Updated amounts for Total Legacy Costs.** Governor updated total legacy costs section. The pension-related costs are \$145,738,300 and the retiree health care costs are \$137,512,400. (Sec. 214). Senate and House concurred.

Conference Agreement on Items of Difference

3. **Deletions.** The Governor proposed to eliminate the following sections from current-year boilerplate: 206, 212, 214, 239, 405, 411, 412, 417, 419(1), 437, 505, 508, 511, 601, 602, 611, 612, 616, 802, 803, 806, 812, 816, 901, 902, 904, 908, 909, 910, 912, 937, 940, 942, 1000, 1011, and 1201. Senate deleted sections 806, 901, 902, 908, and 1000. House deleted sections 212, 214, 405, 602, 616, 806, 901, 902, 908, 909, 912, 937, 940, 1000, 1011, and 1201. Conference deleted sections 616, 806, 901, 902, 908, 909, and 1000. These deletions include, among other things, language regarding parole board policies, mental health services, one-time appropriations, and career-based training for prisoners.
4. **Definitions.** Eight definitions were eliminated from the bill. Senate restored all definitions except for "IDG" and "MDSP", updated the definition for "Recidivism", and added a new definition for "Federally qualified health center". House restored all definitions. Conference concurred with the Senate.
5. **Reporting requirements.** Governor reduced the frequency of reporting for vendor contract compliance (Sec. 307), prisoner populations (Sec. 419), parole review (Sec. 422), and Hepatitis C treatment (Sec. 807). Added threshold to Sec. 307 to report contracts of value \$5 million or more. Senate retained reporting frequency of sections 307, 419, 422, and 807. Senate reduced threshold in Sec. 307 to \$500,000. House concurred with Governor on section 307, and retained reporting frequency of sections 419, 422, and 807. Conference concurred with the Senate.
6. **Governor additions.** Governor added sections to assist the State Court Administrative Office with data compilation for the Swift and Sure Sanctions Program (Sec. 247), and to implement the Westside Residential Alternative to Prison program (Sec. 617). Senate concurred with Sec. 247 and removed Sec. 617. House concurred on both sections. Conference concurred with the Governor, but changed the requirements for the Westside Residential Alternative to Prison program to instead refer to the Wayne County Residential Alternative to Prison program.

7. **Senate additions.** Senate added sections pertaining to agricultural programs (Sec. 434), dependent health insurance coverage (Sec. 805), psychotropic medication availability (Sec. 814), correctional officer fitness (Sec. 901), inmate places of worship (Sec. 1010), and a family participation study (Sec. 1012). Conference did not include any of the sections. Senate also added sections pertaining to Michigan State Industries (Sec. 311), reentry services (Sec. 403), matching parolees with employers (Sec. 404), a federally qualified health centers pilot (Sec. 406), matching released inmates to local mental health care providers (Sec. 426), criminal justice reinvestment programs (Sec. 604), staff transition costs (Sec. 902) an online high school pilot (Sec. 908), and faith-based reentry initiatives (Sec. 1013). Conference concurred with these additions.
8. **House additions.** House added sections pertaining to youth inmates (Sec. 930), correctional facility closure savings (Sec. 943), correctional facility closure considerations (Sec. 944), and the prison food service contract (Sec. 945). Conference concurred on all sections.
9. **Leased beds and alternatives to leased beds.** (Sec. 905) Conference added a section governing the leased beds and alternatives to leased beds program.

Date Completed: 6-6-17

Fiscal Analyst: Ryan M. Bergan

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.