

REPORTING OF PRISONER REIMBURSEMENT COLLECTIONS

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House Bill 4480 as introduced
Sponsor: Rep. Bradley Slagh
Committee: Appropriations
Complete to 10-21-19

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4480 would amend the State Correctional Facility Reimbursement Act, 1935 PA 253, to require an annual report on the distribution of reimbursements collected under the act.

The bill would require the Department of Attorney General (AG) to provide a report to the House and Senate Appropriations Subcommittees on the Department of Corrections (DOC) on the total annual amount of reimbursements received under the act and, of those reimbursements, the amount paid to the AG to conduct investigations to secure reimbursements and the amount credited to the general fund.

MCL 800.406

BACKGROUND INFORMATION:

The State Correctional Facility Reimbursement Act was established to provide procedures by which the state can secure prisoner assets to reimburse the state for expenses incurred for the cost of care of prisoners in state correctional facilities. Boilerplate for the budget of the AG provides further direction for the distribution of reimbursements and appropriates the funds. The act defines “cost of care” as “the cost to the department [DOC] for providing transportation, room, board, clothing, security, medical, and other normal living expenses of prisoners, and the cost to the department for providing college-level classes or programs to prisoners, as determined by the department.”

The act requires prisoners to provide information to DOC regarding their assets. The director of DOC is then required to submit that information, and all other available information on the assets of the prisoner, to the AG. The act requires the AG to investigate all the information provided by DOC and, when possible, seek to secure prisoner assets for reimbursement to the state.

Section 6 of the act directs reimbursements to support the costs of any investigations under the act and directs the remaining balance of the reimbursements to be credited to the general fund “to be available for general fund purposes.” Boilerplate section 309(1) of the General Government budget act, 2019 PA 56, provides further details and requirements for the distribution of reimbursements. Section 309 provides an annual appropriation of reimbursements to the AG for its investigations under the act. For Fiscal Year 2019-20, the

appropriated amount is \$542,000. The section additionally states that if the AG collects more than \$1,131,000 in reimbursements within the fiscal year, any amount in excess, up to a maximum of \$1.0 million, is appropriated to the AG. The section permits these funds to be spent on legal representation of DOC and its officers and employees for the defense of civil actions filed by prisoners against DOC and against the state and its departments. All unexpended appropriations and collections in excess of those authorized under section 309 are credited to the general fund.

While DOC is appropriated money from the general fund for the cost of care of prisoners as defined in the act, DOC does not directly receive prisoner reimbursements currently for these purposes. The table below presents a ten-year history of Gross reimbursement collections of prisoner reimbursements and their distributions.

Table 1.
Gross Collections and Distribution of Prisoner Assets for State Reimbursement
10-Year History

<u>Fiscal Year</u>	<u>Gross Collections</u>	<u>AG Investigation Costs</u>	<u>AG Excess Portion</u>	<u>General Fund</u>
2008-09	\$2,334,446	\$418,232	\$1,000,000	\$916,214
2009-10	\$2,314,551	\$354,501	\$1,000,000	\$960,050
2010-11	\$2,160,310	\$297,301	\$1,000,000	\$863,009
2011-12	\$2,891,132	\$352,078	\$1,000,000	\$1,539,054
2012-13	\$2,758,827	\$416,754	\$1,000,000	\$1,342,073
2013-14	\$2,891,985	\$385,899	\$1,000,000	\$1,506,086
2014-15	\$2,874,949	\$405,849	\$1,000,000	\$1,469,100
2015-16	\$3,451,578	\$420,101	\$1,000,000	\$2,031,477
2016-17	\$3,653,682	\$449,713	\$1,000,000	\$2,203,969
2017-18	\$2,918,391	\$444,473	\$1,000,000	\$1,473,918

Boilerplate section 309a reflects the language and requirements of HB 4480 and was newly added in 2019 PA 56 for FY 2019-20.

FISCAL IMPACT:

The bill would have no fiscal impact on the state or on local units of government.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.