Corrections spending proposals reflect major policy choices:

Examining the consequences
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Examining the consequences

Spending decisions are inevitably policy decisions. What gets cut, what gets preserved and the extent to which resources are shifted from one area to another reveal decision-makers’ priorities.

This paper examines five of the policy choices reflected in the budgets proposed for Corrections for FY 2015 by the Executive, the House and the Senate and raises questions about whether the potential long-term consequences of these choices have been adequately considered:

1. Housing MDOC prisoners in jail beds leased from various counties;
2. Capping the number of MDOC beds;
3. Incarcerating parolees whose paroles have not been revoked;
4. Spending less on community-based programs, most notably prisoner reentry;
5. Caring for high-cost, low-risk elderly and/or medically fragile prisoners.

The $2 billion problem

While the budget process for Fiscal Year 2015 is still ongoing, there is no debate that spending for the MDOC will once again exceed $2 billion. Most of that, more than $1.9 billion, will come from the state’s General Fund.

Despite substantial decreases in the size of the prisoner population and the number of corrections employees, various pressures on the corrections budget have meant that so far it has only been contained, not reduced. These pressures include wage and salary increases, the addition of more than $352 million in pension-related and health care legacy costs for future retirees, and the growth in prisoner health care expenses, due in part to the aging of the prisoner population.

Faced with legislative pressure to at least keep the corrections budget from growing significantly, the MDOC has focused largely on reducing per prisoner spending. Over the last several years it has attempted to cut costs by such means as privatizing food service, eliminating and demoting staff, and placing a surcharge on prisoner phone calls that is used for security equipment. Visiting days, prisoners’ meal portions and the number of uniforms they receive have all been reduced.

But, despite these attempts, core costs keep rising. The number of prisoners has begun rising as well, growing by 800 since its low point in 2011. The legislature and the MDOC continue to face difficult decisions about how to allocate corrections resources.

*The generous assistance of the House Fiscal Agency and Senate Fiscal Agency in providing budget figures and responding to questions is gratefully acknowledged. CAPPS is solely responsible for the interpretation and analysis of those figures.*
1. Housing state prisoners in leased county jail beds

As the number of prisoners began to inch back up, the MDOC decided to lease unused beds from county jails. This policy choice has been reflected in each budget from FY 2012 – FY 2015:

<table>
<thead>
<tr>
<th>FY</th>
<th>Leased bed funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$10 million was added to the budget at the last minute to lease county beds.</td>
</tr>
<tr>
<td></td>
<td>- In April 2012, the MDOC said it would spend just over $2.6 million to house 205 prisoners for one year in county jails at $35 a day per prisoner.¹</td>
</tr>
<tr>
<td>2013</td>
<td>$10 million appropriation.</td>
</tr>
<tr>
<td>2014</td>
<td>The leased bed line was reduced to $1 million.² (The reasons were not noted in the House Fiscal Agency summary of the conference report)</td>
</tr>
<tr>
<td></td>
<td>- As of April 1, 2014, 342 prisoners were serving their state sentences in 11 different county jails at a predictable annual cost of $4.4 million.</td>
</tr>
<tr>
<td></td>
<td>- The MDOC has submitted to the legislature a request to transfer a total of $3.5 million from the FY 14 budget lines of four prisons to pay for leased beds.</td>
</tr>
<tr>
<td>2015</td>
<td>MDOC has requested an additional $4 million for leased beds and has also transferred $250,000 to the leased bed line from elsewhere in the budget.</td>
</tr>
<tr>
<td></td>
<td>- This would result in a total allocation of $5.25 million, enough to place 411 prisoners in county jail beds for a year.</td>
</tr>
<tr>
<td></td>
<td>- The FY 15 proposal would also increase by $3.5 million the budgets of the same four prisons that would lose that amount in the transfer request.</td>
</tr>
<tr>
<td></td>
<td>- The House Appropriations Committee has not concurred in the FY 2015 requested increase in the leased bed line; the Senate Appropriations Committee has, albeit with a $346,100 reduction for lapsed balances.</td>
</tr>
</tbody>
</table>


² The MDOC has indicated that when it was working on its budget for FY 14 it did not know how well the program would do and what new county jails would join it. However, its client census summary for 2/1/13 showed that 10 jails were providing a capacity of 387 beds and 275 prisoners were actually being housed in jails. Two months later the census for 4/1/13 showed the participation of 11 jails with a capacity of 401 beds. The number of prisoners being housed in jails had increased to 336. While the MDOC has noted that the counties lag in submitting their bills, the MDOC controls the number of prisoners it places and knows what the cost for each one will be.
Leased beds: understanding the consequences

The MDOC refers to the jails as “virtual prisons” and presents the housing of prisoners there as a “win-win” for both the state and the counties.

It is clearly a win for those counties that choose to be paid $12,775 a year per prisoner. While they are not all currently filled, the MDOC’s Client Census Summary Report for April 1, 2014 indicates the contractual capacity for leased beds is 393, spread across 12 counties. It is not clear how leased beds are a win for the state. The Senate Fiscal Agency estimates that the average cost for a Level 1 bed in the MDOC is $18,273 a year. While this suggests a savings of roughly $5,500 per prisoner, much of the cost of a prison bed is attributable to staffing. The MDOC has indicated that it is not reducing staff as result of the leased beds. It expects savings to result from reductions in food, utilities, other overhead and some staff overtime. Presumably there will be additional expenses for transportation and administration. Exactly how much the department will actually save is not known.

Criteria for placing prisoners in jails

A Director’s Office Memorandum that has been reissued each year (currently DOM 2014-3) says that prisoners selected for transfer must be Security Level 1, within two years of their discharge date and not serving for a sex offense. They must also be serving only a flat sentence, such as for a felony firearm conviction, unless otherwise approved by the Deputy Director for Correctional Facilities Administration (CFA). That approval has apparently been forthcoming since the prisoners now in county jails include people serving indeterminate terms.

Prisoners will be discharged from the jail without returning to an MDOC facility. The Department’s decision to place a prisoner in a county jail is unilateral and not subject to the prisoner grievance system.

Allowing the MDOC to decide, simply by means of a Director’s Office Memorandum, which prisoners can be housed in jails and for how long opens the door to wholly uncontrolled exercises of administrative discretion. Allowing budget concerns to drive policy decisions in this ad hoc fashion is a poor way to make corrections policy and a certain invitation to litigation.

- The Department could pick whatever selection criteria the county sheriffs are willing to accept, no matter how arbitrary. It could choose to send only people who are more than a

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3 The counties and their respective number of available beds are: Clinton (53), Midland (30), Montmorency (20), Ottawa (2), Clare (62), Ingham (90), Iron (12), Jackson (45), Lenawee (23), Osceola (21), Roscommon (20), Van Buren (15). It is worth noting that in connection with the Intensive Detention Reentry Program (IDRP), described later in this report, the Clinton County Jail housed an average of 56 parolees a month until its contract ended in Oct. 2012. Also as part of IDRP, the Ingham County Jail housed an average of 173 parolees a month in 2012. After IDRP beds were opened at the Detroit Reentry Center, the average at the Ingham County Jail dropped by 75 to 98 parolees a month in 2013.

4 In a recent report to the Legislature on prisoner costs, the MDOC placed the per diem cost for a prisoner at a Level I facility at $73.26 or $26,740 per year. The difference results because the MDOC included a number of administrative costs that the Senate Fiscal Agency did not, such as new custody staff training, the maintenance of prisoner records, the correctional facilities administration and the cost of leased beds. Such costs are spread across all facilities and would not be saved by the outsourcing of several hundred prisoners.
certain number of years away from their earliest release dates and just leave them there. It could use jail transfers to move out people who have filed too many grievances.

- If everyone serving only a flat sentence for felony firearm was sent to a county jail, the MDOC would effectively rewrite the penal code by turning a two-year prison sentence into a two-year jail term.

**Jail conditions are far more restrictive than prisons**

Leased jail beds are definitely not a win for the prisoners who are transferred to county custody.

Jails are designed to be short-term high security holding facilities for people awaiting trial or serving very short sentences, such as 30, 60 or 90 days. They are not designed for people to actually live there for long periods of time.

The conditions of confinement for Level I prisoners required to spend up to two years in a county jail are far harsher than those of comparable low-security prisoners in MDOC custody. In fact, most of the jail rules are stricter than those applicable to prisoners who have worked their way to administrative segregation through conduct like assaults and escape attempts.

There are no compensating factors. Although treated like county jail inmates, prisoners are not allowed to earn County Administrative Time (good time) that is awarded to jail inmates. Nor are they allowed to participate in the jail’s work release or furlough programs.

While Michigan’s prisons are very overcrowded and programs and services are being cut back, conditions in the county jails are much more restrictive. A comparison of MDOC policies with jail inmate guidebooks, such as the one for the Ingham County Jail (available online) reveals enormous differences.

**Jails do not provide the programming needed for successful re-entry**

Jails are places where inmates have very little to do but hang out in day rooms where there is a community television and where they can presumably play cards. Placement there runs directly counter to the MDOC’s commitment to rehabilitative programs and successful community reintegration.

- The access of jail inmates to any sort of programming – educational, vocational, treatment, in-house work, recreation or productive leisure – ranges from little to none. And state prisoners are typically given lowest priority for whatever programs do exist.

- If a prisoner can get a job at all, it will be for a few hours as a janitor.

- If state prisoners are required to have academic and treatment programs, they are returned to the MDOC when they are within a year of their earliest release date.

**Family preservation**

When viewing the jail limitations on visits, mail and telephones collectively, it is apparent that the ability of prisoners housed in jails to maintain contact with family members, including parents, spouses and children, is extremely restricted. These relationships are critical to reentry to the community, as well as to the welfare of individual family members and the preservation of family units:
Visits

Prisoners at Level I may receive eight visits a month in an open setting from immediate family members and up to 10 non-immediate family members during several days each week. Depending on the day, these visits may last for 6-10 hours. Thus a spouse or parent who has travelled a long distance and can’t visit often could choose to spend the whole day. Many visiting rooms have books and toys available for prisoners’ children and vending machines so people can share some food.

In contrast, most jails have highly restricted non-contact visits or video conferencing only for very limited amounts of time, such as two people for 20 minutes. Some only allow children over a certain age or height. Consequently, some prisoners face the prospect of not seeing their children at all for up to two years. Note: Prisoners are not placed in jails or prisons with any regard to where they are actually from or where their families reside.

Mail

Incoming mail to the state prisons is “shaken down” for contraband and may be screened for content, but there are no limits on the length of letters that prisoners can receive. Many jails allow inmates to receive only postcards and permit just a handful of approved magazine and/or newspaper subscriptions.

Telephone

While the cost of prisoner phone calls has gone back up over the last few years, typically jail inmates can only make collect calls and the price of calls is much higher. Access to telephones and the allowable length of conversations may also be more restricted.

Access to critical services

Prisoners housed in county jails have very little access to law libraries, health care, or even exercise.

Medical care

While jails, like prisons, are constitutionally required to provide minimally adequate access to medical care, because of their size and the short-term populations for which they are designed, they do not have the in-house medical care facilities of a prison. They are not set up to treat chronic conditions nor will they provide vision and dental care as the MDOC does. While the department can attempt to select only healthy prisoners for transfer, it obviously cannot foresee medical problems that may arise while a prisoner is in county custody.

Extensive use of leased beds raises the risk of inadequate medical and mental health care for prisoners and, ultimately, lawsuits for the MDOC.

Wellness

Most jails do not even have outside exercise yards; if outdoor facilities of any kind exist (such as a large garage with the door left open), time there is typically as little as a few hours a week.
Thus prisoners may face the prospect of never going outdoors for up to two years. Access to gyms for indoor exercise is highly limited as well.

Access to law libraries

The ability of jail inmates to access law libraries is also severely limited. In Ingham County, inmates can use the library for no more than one hour a day and it is only open, on a first-come, first-served basis, for 1½ hours each weekday. Other jails have no law library at all.

Property/constructive activities

While MDOC policy greatly restricts the amount of property prisoners can have, people at minimum and medium security levels can possess what they can fit into a footlocker and a duffel bag. This includes small personal-sized televisions and MP3 players, if they can afford to buy them, as well as books and other publications, board games, musical instruments and some hobby-craft and art supplies. The amount of property that jail inmates can possess is extremely limited. Items permitted by the MDOC but not by the jail will be stored at the jail.

Recommendations

- If the MDOC needs more beds because the population is rising, the problem can be addressed by adopting moderate proposals for safe population reduction (see Appendix).
- The actual savings from leased jail beds to the MDOC should be realistically assessed and balanced against the impact on recidivism and on the prisoners forced to live in jails.

2. SB 909: Capping the number of MDOC beds, NOT prisoners

The current prisoner population is 43,500. Recently introduced Senate Bill 909 would limit the number of MDOC beds to 38,000 by enacting the following mandate:

The Department shall house a maximum of 38,000 prisoners in correctional facilities operated by the Department. If the prisoner population under the jurisdiction of the department exceeds 38,000 prisoners, the prison population exceeding that number shall be housed in jails and other secure facilities considered appropriate by the department.

If a prisoner is housed under this section in a jail or other secure facility, the prisoner shall be housed only in a jail or other secure facility that is located within this state.

The Citizens Alliance on Prisons and Public Spending has long advocated reducing the number of prisoners by adopting reforms that could realistically result in a population of 38,000. SB 909 is an important first step in promoting a debate about how to reach that goal. However, as introduced, SB 909 does not provide an effective mechanism for safely achieving that reduction.

SB 909 would not cap the prisoner population. It would only limit the number of prisoners to be housed by the MDOC. The population could soar well over current levels without violating the proposed statute as long as the “overage” was housed somewhere else. Thus the purpose of the proposal appears to be not limiting the size of the population, but the size of the budget.
The Senate Appropriations Subcommittee on Corrections reduced the Correctional Facilities Administration by $30,629,800, roughly the cost of operating (with health care) one 1,300 bed Level I prison. However, the full Senate restored the whole amount.

Actually reducing the population by paroling a combination of 5,500 Level I and Level II prisoners would save approximately $88,681,500.\(^5\)

**No mechanism for reducing the prisoner population**

SB 909 does not indicate how the MDOC should achieve the goal of eliminating 5,500 beds.

- The MDOC cannot control the number of prisoners who come in the front door with new sentences.
- It is prohibited by truth in sentencing from reducing sentences by giving people credit for their in-prison conduct.
- It is also prohibited by truth in sentencing from placing prisoners who are nearing their earliest release dates into community facilities, like the corrections centers that were widely used in the 1980s and 1990s.

Its only options are to release people who are eligible for parole and to incarcerate fewer technical parole violators.

SB 909 also contains no deadline by which the population reduction is to be achieved and no flexibility:

- Would the cap go into effect as soon as the bill is passed, putting the MDOC immediately in violation or would the department have until the end of the fiscal year to reach it?
- At what point would the MDOC have to begin the lengthy process of seeking bids to contract for additional space?
- Is the MDOC penalized somehow if it is not in compliance?
- What happens if the population has been reduced to 38,010?

**The parole option: questions about implementation**

There are currently about 8,950 prisoners who are eligible for parole, including 850 parolable lifers and 2,500 people returned for technical parole violations. While paroling just 60 percent of these people could achieve the goal, SB 909 does not require a systematic assessment of why they have not already been released. Nor does it do anything to change parole review and revocation procedures that have contributed to the backlog.

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\(^5\) The Senate Fiscal Agency estimates the annual cost for a Level I prisoner at $18,273 and for a Level II prisoner at $21,465. The average cost for a year on parole is about $3,600. If 3,000 Level I prisoners were paroled at a savings of $54,819,000 and 2,500 Level II prisoners were paroled at a savings of $53,662,500, the total savings would be $108,481,500. This would be offset by $19,800,000—the additional cost of parole supervision.
A substantial part of the population reduction that has already been achieved resulted from the effort toward the end of the Granholm administration to reconsider substantial numbers of prisoners who were past their earliest release dates. Despite dire predictions from critics, there is no indication that the 2,000-person increase in paroles from 2008 to 2009 increased recidivism rates or caused any harm to public safety.

However, to reach that outcome, Gov. Granholm enlarged the parole board and ensured that there would be an adequate number of parole officers to work with the larger number of parolees. The current proposal makes no such provisions.

**Shifting prisoners to non-MDOC facilities**

SB 909 would require that all of the 5,500 people who are not released by parole be transferred to secure non-MDOC facilities. It is unclear what this would accomplish or whether it is even practical.

*Leased county jail beds, apparently the option of choice*

For all the reasons discussed above, the nature of jails as short-term, high security facilities makes them a very poor choice for prisoners with years yet to serve. Moreover:

- It seems highly unlikely that the counties’ jails currently have enough empty beds for the number of prisoners involved.
- SB 909 could have the effect of encouraging counties to build additional jail space in order to house more state prisoners, thereby creating pressure for a permanent hybrid system that would keep a substantial number of prisoners in leased beds.
- If the state becomes dependent on housing large numbers of prisoners in jails, it would not be surprising if the counties sought to have the statutory $35 per diem raised, thereby reducing the savings the state was attempting to realize.

*The private prison(s) option*

The other option would be a privately run prison, such as the expanded but still closed facility in Baldwin that is owned by the GEO Corporation or a closed Michigan prison leased for operation by a private corporation. For reasons that are beyond the scope of this paper, it is doubtful that the cost savings to be achieved by privatization would be as substantial as hoped or that the operation of a private prison would achieve the long-term rehabilitative goals that are desired.

**The goal of reducing the prisoner population, not just the number of MDOC prison beds, is both desirable and achievable.** However, SB 909 leaves the method of reaching the cap totally in the discretion of the MDOC. The legislature would effectively be saying, “We don’t care how you do it, just do it and do it soon.” This is not a desirable way to make corrections policy.

**Recommendations**
- SB 909 should be amended to set the goal but also to establish a process for identifying or mandating ways that goal can be reached.
- In the short term, the legislature should require a systematic analysis of why people who are currently eligible are not being released.
- The legislature should adopt mid- and long-term parole strategies to reduce the population (see Appendix), including:
  - Presumptive parole after serving the minimum sentence;
  - Removing current barriers to parole for parolable lifers.
- The legislature should also establish a sentencing commission charged with conducting a comprehensive assessment of who should be in prison and for how long.
- Anticipated savings for FY 2015 should be reassessed.

### 3. Residential reentry programs

The incarceration of people who may have violated conditions of their parole but have not gone through the revocation process and are technically still parolees raises a number of questions with legal, policy and fiscal implications. The use of a single Level II prison to house prisoners, parolees whose release is being delayed pending program completion, and parolees who have been released and returned to custody makes these questions even more complicated.

When a parolee violates the conditions of his or her supervision, parole may be revoked. Because revocation involves a denial of liberty and return to prison, the MDOC is constitutionally required to provide the basic elements of due process.⁶

> Within 10 days of arrest on the violation charge, the parolee is entitled to a preliminary hearing before an examiner. S/he must be given a description of the charges and the evidence, an opportunity to testify and present witnesses and, with some exceptions, the chance to cross-examine adverse witnesses.⁷

> If probable cause is found, the parolee has the right to have a formal hearing held before a parole board member or hearing officer within 45 days. At the formal hearing the parolee is entitled to be represented by counsel, including appointed counsel if the parolee is indigent. If at least one violation is found by a preponderance of the evidence, a recommendation is made to the parole board, which has the authority to either revoke or reinstate parole.⁸

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⁶ Morrissey v Brewer, 408 U.S. 471 (1972)
⁷ MCL.239a; MDOC PD 06.06.100.
⁸ MCL. 240a; MDOC PD 06.06.100. These deadlines apply only to “technical” parole violators. If a parolee is prosecuted on a new criminal charge, circuit court procedures take precedence and any subsequent finding of a parole violation will depend on the outcome of the criminal proceeding.
In 1991, the MDOC established Technical Rule Violator Centers (TRVs) as an alternative to returning some parolees who violated conditions of supervision to overcrowded prisons. An eligible parole violator could waive the time limits for conducting parole revocation proceedings and choose to be placed in a TRV for up to 90 days. If s/he successfully completed the intensive TRV program, the pending violation charges were dismissed and the parolee was returned to the community.\(^9\)

The use of incarceration as an “intermediate sanction” for technical parole violators has evolved. Under the rubric of “Community Reentry Programs” there are now two distinct alternatives. Both of them are a deviation from the parole revocation process.

1) **Intensive Detention Reentry Program (IDRP)**

The Intensive Detention Reentry Program (IDRP) was begun in 2004 so that parole agents could place “parolees with compliance problems” in jail “before they become more serious parole violators.” In 2007, the MDOC contracted for beds at the Clinton County and Ingham County jails. The average stay was about 30 days, although the contracts permitted stays of up to 120. Pursuant to MCL 800.54, the counties were reimbursed at the rate of $35 per day.

2) **Residential Reentry Program (RRP)**

The second alternative is the Residential Reentry Program (RRP):

- In 2006, the former Tuscola prison camp was re-opened as the Tuscola Residential Reentry Program with a capacity of 160 beds. Tuscola also housed prisoners who had not been released because completing a program is a condition of their parole.

- In 2008, the Lake County TRV became the Lake County Residential Reentry Program with a capacity of 300 beds. Both RRPs work with parolees who “need a reentry refresher course.”

In 2013, the average successful stay at an RRP was 84.5 days. The longest stays are typically 120 days. For technical violators whose parole was revoked the average prison stay was 13.9 months.

The Field Operations Administration Deputy Director or designee sets the eligibility criteria for placement in an RRP, the programming provided and criteria used to determine length of stay.\(^10\)

Every order for parole now contains a condition that requires the parolee to complete outpatient or residential substance abuse treatment or a reentry program when referred by the field agent. If probable cause exists, a parole violation specialist may send a parolee to IDRP or RRP instead of proceeding to the formal revocation stage. The parolee’s failure to satisfy this condition then becomes a parole violation that may become the basis for parole revocation.

Although this process results in a shorter period of incarceration than revocation generally would, it is nonetheless troubling. There is no question that the violator is being removed from the community and locked up for weeks or months without the protections a revocation hearing

\(^9\) MDOC PD 06.03.104 (effec. 02/01/01)

\(^10\) MDOC PD 06.03.104 (effec. 10/24/12). The process for placing parolees in IDRP is not governed by a policy directive.
would afford. There is no right to appointed counsel, no hearing before a parole board member or attorney hearing officer and the violation need not be proven by a preponderance of the evidence.

Because the MDOC can keep someone in custody up to 45 days pending a revocation hearing, 30 days in IDRP can be completed before a formal hearing would have to be held. But a 60- or 90-day stay in an RRP would seem to directly circumvent the revocation process. Calling the program “residential reentry” does not change the fact that thousands of people are being incarcerated as a punitive response to their violations of parole conditions.

**Funding for reentry centers grew by 133 percent**

Funding for reentry centers increased dramatically in FY 2013, when the MDOC repurposed the Ryan Correctional Facility and renamed it the Detroit Reentry Center. The Clinton County IDRP and the Tuscola RRP were both closed and their programs were re-established at Detroit Reentry Center.

<table>
<thead>
<tr>
<th>FY</th>
<th>Budget</th>
<th># Full-time equivalent employees (FTEs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$14.8 million</td>
<td>59</td>
</tr>
<tr>
<td>2012</td>
<td>$14.3 million</td>
<td>48</td>
</tr>
<tr>
<td>2013</td>
<td>$30.2 million</td>
<td>201</td>
</tr>
<tr>
<td></td>
<td>Reentry beds added: 884 (Per House Fiscal Agency budget analysis)</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>$33.3 million</td>
<td>226</td>
</tr>
</tbody>
</table>

According to MDOC legislative reports, the total number of parolees in these programs for 2009-2013 rose steadily, primarily because of a 54 percent increase in the use of IDRP during these five years (see table next page).
Parolees incarcerated in IDR and RRP

<table>
<thead>
<tr>
<th>Location</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDR - Clinton</td>
<td>511</td>
<td>693</td>
<td>675</td>
<td>635</td>
<td>-</td>
</tr>
<tr>
<td>IDR - Ingham</td>
<td>2,054</td>
<td>2,275</td>
<td>2,359</td>
<td>2,659</td>
<td>1,456</td>
</tr>
<tr>
<td>IDR - Detroit</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>454</td>
<td>2,496</td>
</tr>
<tr>
<td><strong>IDRP Total</strong></td>
<td><strong>2,565</strong></td>
<td><strong>2,968</strong></td>
<td><strong>3,034</strong></td>
<td><strong>3,748</strong></td>
<td><strong>3,952</strong></td>
</tr>
<tr>
<td>RRP - Lake</td>
<td>1,161</td>
<td>1,367</td>
<td>1,244</td>
<td>1,379</td>
<td>1,162</td>
</tr>
<tr>
<td>RRP - Tuscola</td>
<td>827</td>
<td>813</td>
<td>914</td>
<td>665</td>
<td>-</td>
</tr>
<tr>
<td>RRP - Detroit</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>134*</td>
<td>949</td>
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<tr>
<td><strong>RRP Total</strong></td>
<td><strong>1,988</strong></td>
<td><strong>2,180</strong></td>
<td><strong>2,158</strong></td>
<td><strong>2,178</strong></td>
<td><strong>2,111</strong></td>
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<tr>
<td><strong>Grand Total</strong></td>
<td><strong>4,553</strong></td>
<td><strong>5,148</strong></td>
<td><strong>5,192</strong></td>
<td><strong>5,926</strong></td>
<td><strong>6,063</strong></td>
</tr>
</tbody>
</table>

*Excludes 100 transfers from Tuscola RRP

**Parolees or prisoners?**

For FY 15, the Detroit Reentry Center (DRC) is being moved from the reentry center budget line into the Correctional Facilities section of the budget:

- It shows as a prison with a population of 1,044, an operating budget of $26 million and 216 FTEs.
- The reentry center line falls to $8.1 million and 12.4 FTEs.
- The DRC and reentry center lines together will total $34.1 million and 228 FTEs.

The DRC is a highly unusual hybrid facility that is run like a prison but filled primarily with people called parolees, some who violated the conditions of their parole and some who have never actually been released.

The DRC is operated by the Correctional Facilities Administration in compliance with all the policies and procedures that applied to prisoners at the Ryan Correctional Facility, a Level II prison. Yet the MDOC’s weekly census counts only 84 beds at the DRC for prisoners. This represents the dialysis unit, which remained there when Ryan was closed as a prison.

In 2013, the DRC IDR averaged 194 parolees a month and the DRC RRP averaged 219. The MDOC provides little or no programming to these parolees.
The remaining 547 beds at the DRC are divided between two groups:

- Parolees sent directly from a prison to complete a program as a condition of parole. The programs available to this group include Residential Substance Abuse Treatment (RSAT), the Violence Prevention Program (VPP) and BRIDGES (a domestic violence program).
- Parolees being charged with violations who are awaiting preliminary parole revocation hearings.

In contrast, the Lake County RRP is operated by the Field Operations Administration, which establishes the rules for the technical parole violators who reside there.

- In 2013 the average monthly population at Lake County was 258.
- The MDOC’s report to the legislature on Community Reentry Programs indicates Lake County has 12 staff; however that number accounts for only MDOC employees. Most custody and security services are provided by Lake County sheriffs’ deputies, paid through a contract.
- The only programming is for substance abuse, provided by two employees of Catholic Charities.

Whether someone is sent to Lake County or the DRC is largely a matter of geography. Wayne County parolees go to the DRC.

**Incarcerating parolees without a formal revocation**

While the proportion of parolees whose paroles are revoked for technical parole violations has declined, the proportion that is incarcerated for technical violations without a formal revocation has increased substantially.

As the table on the next page indicates, from 2000 to 2012 the percentage of parolees whose paroles were revoked declined by 37.6 percent, but the proportion placed in a TRV, IDR or RRP increased by 87 percent.
Technical parole violators

<table>
<thead>
<tr>
<th>Year</th>
<th>Avg. # parolees under supervision</th>
<th>Paroles revoked for technical violations</th>
<th>Parolees sent to technical rule violator center (TRV) or residential reentry</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>11,756</td>
<td>1,916 (16.3%)</td>
<td>1,331 (11.3%)</td>
</tr>
<tr>
<td>2000</td>
<td>13,198</td>
<td>3,122 (23.7%)</td>
<td>2,341 (17.7%)</td>
</tr>
<tr>
<td>2008</td>
<td>17,435</td>
<td>1,885 (10.8%)</td>
<td>4,762 (27.3%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>IDRP: 2,670 (15.3%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>RRP: 2,092 (12%)</td>
</tr>
<tr>
<td>2012</td>
<td>18,218</td>
<td>2,694 (14.8%)</td>
<td>6,026 (33.1%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>IDRP: 3,748 (20.6%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>RRP: 2,278 (12.5%)</td>
</tr>
</tbody>
</table>

As of April 1, 2014, of 15,266 people on parole, 1,310 were in a residential program (nearly 9 percent).

Questions

1. What are the differences between technical violators who have their parole status revoked and those who are sent to an RRP?

2. Does the shift toward more re-entry participants and fewer revocations reflect a tightening of the criteria for revocation or net widening (a loosening of the criteria for placement in IDRP or RRP)?

3. The Detroit Reentry Center is operated as a Level II prison and all the residents there are shown as prisoners in the FY 15 budget. Yet only 84 are characterized as prisoners on the MDOC’s weekly count. For purposes of describing reentry participants and compiling recidivism statistics, the rest of the DRC population is considered parolees. What is the impact of blurring the lines between prisoners and parolees in this fashion?

4. Why are some people who are required to complete programming granted paroles but sent to the Detroit Reentry Center instead of being released, while others are denied parole until they finish required programs? What is the difference between those who nominally become parolees and those who remain prisoners?

5. What has the MDOC gained in cost-effectiveness from repurposing Ryan when the operating costs of DRC are those of a Level II prison?
   - What is the cost per prisoner of RRP prisoners at DRC compared to their cost at Lake County and the former Tuscola RRP?
   - What is the cost of housing IDRP parolees at DRC compared to the $35 per day cost of housing them in county jails?
What is the point of putting people who are unquestionably prisoners in leased county jail beds while putting people who are technically parolees in a medium security prison?

6. What legal issues arise from the fact that parole violators sent to reentry programs do not have the same due process protections as those whose parole is revoked, even though they are being removed from the community and incarcerated?

4. Community-based programs for probationers and parolees

There has been a great deal of discussion in recent years about the extent to which prison admissions reflect the failure on community supervision of probationers and parolees.

In 2013, a total of 6,125 people under supervision were returned to prison:
- 2,029 admissions were parolees being returned to prison for a technical violation.
- 1,388 were parolees convicted of new crimes.
- 2,708 were people initially sentenced to probation.

In comparison, 5,137 people not under supervision were committed to prison for new convictions.

Yet the FY 2015 proposed executive budget for reentry and several other community-based programs amounts to a decrease of 32.4 percent, or $36,643,300 compared to FY 2011.11 Given the need for strategies that impact recidivism, these dramatic cuts bear close examination.

Prisoner reentry funding dramatically reduced

Michigan has, in many ways, been a national leader in implementing community-based programs designed to divert people from prison.12 Best known in recent years is the Michigan Prisoner Re-entry Initiative (MPRI), which began in 2005 and was implemented statewide in 2007.

Parolees face numerous obstacles to successfully reintegrating into their communities. Depending on how long they were incarcerated, they may have lost family members or other

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11 This figure does not include two other county-based diversion programs that have also seen reductions. The felony drunk driver jail reduction and community treatment program provides payments to counties for assessing and treating drunk drivers. It also reimburses the costs for up to five days of jail time. The goal is to avoid drunk driving in the future and free up jail beds that can, in turn, be used to house sentenced felons who would otherwise be sent to prison. In FY 12, it was reduced from $1.74 million to $1.4 million and remains at that level.

The county jail reimbursement program pays counties to house in local jails people who, under sentencing guidelines, might otherwise have been sentenced to prison. Funding for the program was $17,072,100 in FY 12. It was reduced by $2 million in 2013 and by another $225,000 for FY 15.

The MDOC has indicated that both these appropriations were adjusted to better reflect actual spending levels.

12 It should be noted that many Michigan counties use “therapeutic courts”, such as drug, mental health and veterans’ treatment courts, to divert defendants from the criminal justice system. These programs are not included in the corrections budget.
support systems and may have no ability to navigate the technology that has become integral to everyday life.

Many still battle the mental health and/or substance abuse problems that brought them to prison. Innumerable legal and practical barriers make it difficult for most people with felony convictions (and nearly impossible for those convicted of sex offenses) to find housing and employment.

The majority lack the “soft skills” necessary to build positive social networks and to find and keep jobs. The compound effect of these obstacles causes many parolees to end up back in prison.

MPRI (now just called MPR) was designed to provide programs and services to high-risk parolees as a way to reduce recidivism. It has three components:

- In-prison programming that helps the person prepare for life on the outside.
- In-reach programming that connects prisoners nearing release to the parole agents, mentors and service providers who will be their support system.
- Community programming to help former prisoners once they return.

Community programming is grouped into four areas: residential stability, employment readiness, social support, and health and behavioral health. It is funded through grants to 18 administrative agencies that serve all 83 counties.

Local steering teams familiar with the community’s resources and able to engage local partners develop comprehensive reentry plans. The MDOC also spends MPR funds directly on community-based programs, such as outpatient and residential treatment programs and on the reentry of prisoners who are mentally ill or have other special needs.

The MPR model has gained substantial national recognition. The MDOC has touted the success of reentry as a primary reason why recidivism rates have dropped dramatically. Nonetheless, funding for reentry has also dropped dramatically — by 52 percent from its peak of $56.6 million in FY 2010 to $27 million in FY 2014.

The decline in appropriations tracks a similar decline in the proportion of funding actually spent on reentry programs and services. Figures provided by the House Fiscal Agency reflect a series of budget transfers and unspent balances that lapsed at year-end:¹³

- While a relatively modest 6.9 percent of the FY 10 appropriation was not spent on reentry, the proportion was 25 percent in FY 12 and 20 percent in FY 13.
- During this period, $26.8 million was transferred from reentry to other budget lines. Another $8.1 million was allowed to lapse.

It is unclear why the MDOC did not support reentry services at the levels expected by the legislature.

¹³ These amounts exclude the addition to the reentry line, beginning in FY 13, of funding for a component of the Governor’s public safety initiative which passes money through the corrections budget to high-crime counties to allow them to purchase additional jail space from neighboring counties. The purpose is to address backlogs of arrest warrants. The amounts involved are $4.75 million in FY 13 and $4.5 million in FY 14 and FY 15.
### Prisoner Reentry Funding History

<table>
<thead>
<tr>
<th>FY</th>
<th>Appropriation</th>
<th>Transfers</th>
<th>Lapsed</th>
<th>Expenditures</th>
<th>Not Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>56,605,700</td>
<td>2,710,000</td>
<td>1,180,053</td>
<td>52,715,647</td>
<td>6.9%</td>
</tr>
<tr>
<td>2011</td>
<td>54,744,700</td>
<td>4,941,000</td>
<td>2,388,986</td>
<td>47,414,714</td>
<td>13.4%</td>
</tr>
<tr>
<td>2012</td>
<td>54,944,700</td>
<td>11,850,000</td>
<td>2,123,740</td>
<td>40,970,960</td>
<td>25.4%</td>
</tr>
<tr>
<td>2013</td>
<td>47,872,700</td>
<td>7,300,000</td>
<td>2,402,203</td>
<td>38,170,497</td>
<td>20.3%</td>
</tr>
<tr>
<td>2014</td>
<td>27,021,600</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Actual spending just for local service providers went from $24 million in FY 12 to $19.4 million in FY 13. The appropriation for local providers in FY 14 is below $14 million.

The MDOC maintains that less money is needed for community services because the number of parolees has declined from 18,000 in 2011 to 14,000 today.

The proposed spending for FY 15 may be relatively flat:

- The Executive has requested $26.5 million, including $13.7 to local providers. The total includes $1 million for a new “jail mental health transition pilot program” that would involve a contract with a local jail for in-reach and post-release mental health services to returning inmates, with which both chambers concur.
- The House has chosen to add $449,000 to provide legal advice and representation to former offenders on matters such as employment, housing, benefits and child custody.
- The Senate has chosen to systematically deduct lapsed balances from every line in the budget. For reentry this would be a reduction of $1.37 million.

### Prisoner reentry program management issues

Prisoner reentry has not been without problems. A 2012 report by the Auditor General contained two major findings:

1. “DOC had not established a comprehensive process to monitor and evaluate the effectiveness of MPRI services. As a result, DOC could not assess the strengths, weaknesses and overall effectiveness of MPRI.”
2. “DOC did not have sufficient internal control to effectively implement MPRI. As a result, DOC could not determine that MPRI parolees received and completed appropriate services, that the services received were properly approved or that DOC staff could efficiently perform their MPRI duties.”

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There have also been allegations of waste and criticisms of how some local programs have been operated. Reduced appropriations appear to reflect, at least in part, questions about how well reentry money was being spent.

**Reentry money shifted to pre-existing prison programs**

Reduced spending reflects, at least in part, the use of reentry money to reduce the waiting lists for in-prison behavioral change programs long required for parole.

For instance, the House Fiscal Agency (HFA) summaries of budget changes note:

- FY 13: In addition to a reduction in reentry funding of $3.9 million, $3.1 million was being transferred from reentry to the prison facility line to support prison program coordinators whose job was to ensure that people were able to complete required programs before they reached their first parole date.
- FY 14: 18 additional FTEs were being authorized in the reentry line to focus on violence prevention programming at seven prisons but that funding for these positions was already in the budget.

**Changing the definition of reentry**

The fundamental concept of reentry appears to be expanding and shifting toward in-prison programs. The most recent MDOC report to the legislature on Prisoner Reentry Expenditures and Allocations has, for the first time, a category called “Other Prisoner Reentry Projects” which are defined as “various items funded from multiple departmental appropriations.” For FY 14, these items are projected to include $34.9 million for programs like substance abuse and sex offender therapy that are already accounted for in other lines.

Just weeks ago the MDOC announced that it has established a new Prisoner Reentry Office that will oversee not only those services traditionally identified as reentry but prisoner education and community corrections as well. The intent is to provide better coordination of related functions.

**Improving employment opportunities**

The MDOC wants to focus on improving the dismal 75 percent unemployment rate among parolees. For FY 15, it has requested $4.3 million to fund five more trade instructors and 15 employment counselors. The goal is to reduce the waiting list for vocational programming, give prisoners realistic guidance about possible jobs and improve employment opportunities by working with employers and local colleges.15

The House has concurred in this request, although it added boilerplate requiring that $1 million of the new money be used for programming that is a condition of parole. The Senate has not concurred.

In fact, the Senate would cut in half the appropriation for Michigan State Industries (MSI), a program that employs prisoners to manufacture goods for use in the prison and for sale to other state agencies and non-profit organizations. MSI is designed not to compete with private

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15 One million dollars of the additional funding is one-time and $3.3 million is ongoing.
businesses. It has historically lost money. However, it provides prisoners with factory jobs that most closely approximate those on the outside and teach a variety of hard and soft skills.

At a recent meeting with community reentry service providers, the MDOC stressed that it will make employment a priority in its next request for grant proposals. Providers noted that a constellation of individually tailored supportive services is needed to enable returning prisoners to get and keep jobs, including housing, transportation, and a support network to help people develop pro-social peers and a new self-concept. They also observed that employment might not be the best or most realistic outcome for some returning prisoners. Similarly, the Council of State Governments has cited research showing that motivational changes are more closely related to decreased recidivism than is simply having a job.16

Questions

With any ambitious new program like MPRI there is a learning curve. Undoubtedly the effort can be refined and made more cost-effective. But this complex history and steep budget reductions raise many questions that the legislature should address.

- If MPRI has been such a great success, why cut its funding in half? Can the same results be achieved with so much less support? Is the commitment to reentry giving way to the need to contain the MDOC’s budget?
- What are the long-term costs, if recidivism rises as a result?
- How much money appropriated for reentry was used to supplement or supplant funding for required in-prison programs?
- Why was so much appropriated money not spent? Did parolees actually not need the services or were internal decisions made not to use the money for other reasons?
- What has been the impact of reductions on local programs? How many people are being served and what kind of services are they receiving compared to prior years? Has experienced staff been lost because there was no longer money to pay them?
- What techniques for increasing parolee employment and job retention are most likely to have long-term success?
- Is the MDOC moving away from the model of encouraging communities to invest in their own returning citizens and toward a more institution-centered model? If so, why?
- Must increasing the availability of in-prison programs come at the expense of the services former offenders need when they actually return home?

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Other community-based programs

Community Corrections

Michigan was also a leader in enabling local communities to develop alternatives to incarceration. In 1988, it adopted the Community Corrections Act under which grants are awarded to Community Corrections Advisory Boards that develop and implement comprehensive local plans. These plans may include various services, such as case management, cognitive behavioral programs, community service, day reporting, education, and treatment programs for mental health and substance abuse. Spending on community corrections plans was:

- FY 11, 12 and 13: $13,958,000 each year
- FY 14: Reduced by $1.8 million (13 percent) to $12,158,000.
- FY 15: No further reductions proposed, except that the Senate would eliminate $595,300 in lapsed balances. In addition, positions in the Community Corrections Administration within the MDOC will be reduced from 10 to 4.

Community corrections programs also receive grants from a separate fund for residential services provided to felony probationers who might otherwise be prison-bound and to probation and parole violators. Residential services funding has declined $2.6 million (14 percent) since FY 12:

- FY 11 and 12: $18,075,500.
- FY 13: Reduced by $2 million.
- FY 14: Reduced another $600,000.
- FY 15: No further cuts (again except for the Senate’s proposed removal of $490,100 for lapsed balances).

The reason for this $4.4 million disinvestment in community-based programs is unclear, other than the need for belt-tightening across the board. It is also counter-intuitive, given the need to reduce failures on probation and the resulting commitments to prison.

Although it has not yet submitted its final report and recommendations, the Council of State Governments has made clear in its recent presentations on Michigan’s criminal justice system that more intensive and better targeted programming is needed for high risk probationers in order to avoid their eventual commitment to prison. It has noted that Michigan spends far less per person on programming for probationers than it does for parolees. Felony probation outcomes have not improved as parole outcomes have.17

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Substance Abuse Testing and Services

The MDOC funds substance abuse testing and both outpatient and residential treatment for prisoners, parolees and probationers. The services are provided primarily through private contractors. Appropriations for this program peaked in FY 2013 and will have fallen from there by $3.48 million — nearly 14 percent — in FY 15.

- FY 11 and 12: $24,070,900
- FY 13: $25,271,400
- FY 14: $22,366,600
- FY 15: $21,794,200

Funding for the community-based portion of these services has been cut by 27 percent. As a result, there are 20 percent fewer community residential beds.

The MDOC has told service providers that the cuts are due to “decreased demand.” The providers note that it is the MDOC that defines the demand by deciding who is required to participate in treatment. They suggest that the prevalence of substance abuse among probationers and parolees has not changed and that, in fact, the needs for treatment were never fully met.

Parole and Probation Services

Yet another reduction in funding will affect services to people on community supervision. Parole and probation services are funded through a statutory set-aside of parole and probation oversight fees. The funds are to cover collection costs of supervision fees as well as “enhanced services” such as counseling, employment support, and public transportation assistance for parolees and specialized training and equipment for staff to enhance performance.”

These services will drop 58 percent to $940,000 in FY 15. They were budgeted at $2,243,500 for each of the preceding four years.

These decreases reflect and exceed dramatic drops in the statutory funding source.

The non-set-aside portion of oversight fees has declined by 48 percent:

- FY 11: $8.3 million.
- FY 12, 13 and 14: Around $6 million.
- FY 15 projected: $4.3 million.

Consequently, the set-aside portion experienced a similar decline. It ranged from $2.64 million in FY 11 to $2.66 million in FY 14. For FY 15, it is projected to drop by 48.9 percent to $1,361,300.

It is unclear what is causing this decrease and what enhanced services and specialized training will be lost as a result.
Swift and Sure Sanctions

“Swift and Sure Sanctions” is an addition to the programming available for high-risk probationers. The program involves intensive monitoring and the immediate application of progressive sanctions for substance abuse and other probation violations. It is funded in the Judiciary budget at $6 million. The Council of State Governments notes that the State Court Administrative Office makes funding awards to the circuit courts and that voluntary adoption of the program has been limited.\(^\text{18}\)

The Senate proposes to add $3 million to the corrections budget for an inter-departmental grant to the Department of Human Services to expand access to Michigan Rehabilitative Services for Swift and Sure Participants.

Recommendations

- The legislature should require a comprehensive assessment of the effectiveness and coordination of all community-based programs.
- Based on that assessment, the legislature should adjust its investment in and focus on evidence-based community alternatives to incarceration to better protect the public and reduce the flow of probationers and parolees into prison.

5. Caring for geriatric and medically fragile prisoners

A critical issue coming to the fore nationally and in Michigan is the aging of the prisoner population and the impact that has on costs for medical care. Not surprisingly, the “tough on crime” attitudes that brought much longer sentences and a massive expansion of prison systems around the country has resulted, three decades later, in an ever-increasing number of older prisoners.

The number of Michigan prisoners aged 50 and older has gone from 5,777 in 2003 (12 percent of the total population), to 8,457 at the end of 2013 (19 percent of the total). Because Michigan has thousands of prisoners serving life or very long terms, the proportion of inmates who are elderly will continue to grow.

Spending on prisoner medical and mental health care grew by 49 percent over the last 14 years.

- FY 2000: $200.2 million
- FY 2013: $297.7 million

Inevitably, an older population has more medical problems and thus increases the cost of health care. An issue paper published by the Senate Fiscal Agency in 2010 examined the increased

costs for prisoner health care from 2000 to 2009 and concluded that 14.6 percent of the increase was due simply to the changes in the age demographics of the prisoner population.19

The cost of health care is compounded by those prisoners of any age who have serious illnesses requiring long-term, expensive medical care.

Prisoners who are elderly, medically fragile or terminally ill present an extremely low risk to public safety. If paroled or otherwise cared for outside of a correctional facility, their costs of care may be covered by Medicaid or other benefit sources, such as the Veterans Administration, family health plans or private pensions.

Addressing the cost of medical care for prisoners who may have committed serious offenses presents complex policy issues. The options depend on the prisoner’s health, his or her parole status, the availability of cost-effective and medically adequate alternatives, and the willingness of public officials to utilize those alternatives. The options include:

1. Ensuring that people who are currently eligible for parole are released;
2. Using MCL 791.235 (10), the statute that allows the parole board to grant paroles to people who are not yet eligible but who are physically or mentally incapacitated;
3. Using MCL 791.265, the statute that allows the director to transfer prisoners who are mentally or physically disabled to outside long-term care facilities, such as nursing homes or hospice;
4. Renovating current institutions to accommodate the growing need for geriatric, long-term medical and hospice care.

The House’s proposed budget for FY 15 would take a step toward making Option 3 a reality. It assumes a savings of $5 million will be realized by requiring the MDOC to seek competitive bids for a non-state-run, non-secure nursing home facility to house mentally or physically disabled prisoners.

The bigger picture

Collectively, these policy issues raise two broader considerations:

1. What is the most appropriate and cost-effective use of prison beds?

To answer this question, we must consider whether:

▪ More people can be safely and successfully diverted from prison in the first instance
▪ Sentences could be shorter without jeopardizing public safety
▪ More people could be paroled as soon as they become eligible
▪ People who are elderly or medically fragile should continue to be incarcerated

- Adequate attention is being paid to the impact of confinement conditions on rehabilitation
- A greater investment in appropriately targeted community-based programs for parolees could further reduce recidivism rates
- Returning technical parole violators to prison, whether by formal or informal means, is the most appropriate and effective way to enforce conditions of supervision

These subjects are all implicitly addressed by the allocation of funds in the MDOC budget. Yet the budget process does not permit in-depth analysis of potential outcomes. Budget decisions are as likely to be driven by immediate necessity and negotiated compromises as by long-term planning.

If Michigan’s corrections spending is ever to be substantially reduced — not just contained by measures that keep eating away at staffing, programs and living conditions for prisoners — a comprehensive assessment of these matters must be undertaken outside of the pressure cooker of appropriations.

2. What is the most appropriate division of functions and resources between the state and the counties?

There is a complex relationship between the MDOC and the counties. For example:

- The corrections budget reflects payments to local agencies and jails for services that range from programs to divert people from prison to leasing jail beds for people already sent to prison.
- The budget includes funding for training sheriffs and for counties that need to lease additional jail beds from other counties.
- Similar community-based programs are paid for directly by the MDOC and by local agencies with MDOC grants.
- Parolees required to spend time in IDRP may be placed in either a jail bed or a Level II prison. Under our sentencing guidelines, many people are sent to prison each year who could have been sentenced to time in jail.

With tens of millions of dollars involved and the multiplicity of programs, each with its own goals and requirements, it becomes difficult to sort out all the ways in which money moves to the counties. In the same budget year, a county may have funding cut for one program but increased under another.

It is time to step back and examine the big picture for two reasons. First, it is a matter of sound fiscal management. But it is also critical to clarify which functions should be performed by the state and which by the counties. Too often, similarly situated defendants are sentenced to jail, sentenced to prison or sent back to jail as state prisoners depending on the availability of resources, not on the use of best correctional practices.

The increasing use of leased jail beds, in particular, suggests that the lines between state and local correctional systems are becoming blurred and that some hybrid model is evolving in an ad hoc fashion. The utility and propriety of this model must be carefully thought through before further decisions are made that fundamentally change what a prison sentence means.
Conclusion

The MDOC is responsible for nearly 44,000 prisoners and more than 67,000 probationers and parolees. It has more than 13,000 employees – 27 percent of the entire state workforce. Its work in the area of crime and punishment is often controversial and emotionally charged. It will never satisfy every stakeholder nor will it ever be able to predict to the penny, when a budget is being drawn eight months in advance, how $2 billion will have to be spent by the end of the next fiscal year.

Yet it is because the MDOC is under so much pressure to contain its spending that close examination of the policy choices reflected in its budget is critical. The examples discussed here indicate disturbing trends.

- Substantial amounts of money appropriated for one purpose end up being spent for another.
- Reduced spending on programs is justified by “reduced demand,” although it is the MDOC itself that defines who needs which services.
- People and programs are reorganized and renamed in ways that mask the significance of changes, such as treating parolees like prisoners and calling jails “virtual prisons” and calling a Level II prison a “reentry center.”
- Mixed messages are sent – like simultaneously touting the success of reentry and slashing its funding.
- Conditions of confinement are allowed to erode without regard to the long-term consequences.
- Needed investments in proven community-based programs are sacrificed to the short-term need to balance a budget that is spent overwhelmingly on keeping people in prison.

Careful consideration of how corrections dollars are being spent is not a task the legislature can accomplish during the fast-paced appropriations process when corrections is only one of many budgets to be settled. But it is one that should be undertaken soon to ensure that spending decisions reflect the best possible corrections policies long-term.

NOTE: Appendix attached in separate document.