

**FY 2026-27 DEPARTMENT OF CORRECTIONS BUDGET**

S.B. 878 (S-1): SENATE-PASSED

(as passed by the Senate)

Article 2

Committee: Appropriations



FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2025-26 YEAR-TO-DATE*	FY 2026-27 SENATE-PASSED	CHANGES FROM FY 2025-26 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	12,758.0	12,758.0	0.0	0.0
<b>GROSS</b> .....	<b>2,163,994,500</b>	<b>2,184,138,100</b>	<b>20,143,600</b>	<b>0.9</b>
Less:				
Interdepartmental Grants Received .....	0	0	0	0.0
<b>ADJUSTED GROSS</b> .....	<b>2,163,994,500</b>	<b>2,184,138,100</b>	<b>20,143,600</b>	<b>0.9</b>
Less:				
Federal Funds .....	5,203,700	5,222,600	18,900	0.4
Local and Private.....	275,000	275,000	0	0.0
<b>TOTAL STATE SPENDING</b> .....	<b>2,158,515,800</b>	<b>2,178,640,500</b>	<b>20,124,700</b>	<b>0.9</b>
Less:				
Other State Restricted Funds.....	30,304,100	30,559,800	255,700	0.8
<b>GENERAL FUND/GENERAL PURPOSE</b> .....	<b>2,128,211,700</b>	<b>2,148,080,700</b>	<b>19,869,000</b>	<b>0.9</b>
<b>PAYMENTS TO LOCALS</b> .....	<b>118,042,500</b>	<b>122,497,200</b>	<b>4,454,700</b>	<b>3.8</b>

\*As of February 11, 2026.

- Major Boilerplate Changes from FY 2025-26 Year-to-Date:**
- Items with major changes:** Secs. **307** and **714** (Telephone charges) are combined; Sec. **402** (Offender Success Programming and Recruiting) expands language to apply to more OS programs; Sec. **604** (Hepatitis C) language revised; and Sec. **710** Segregation of Prisoners.
  - Items deleted:** Swift and Sure (Sec. **322**); Lapse of \$30 million for health care costs in FY 2025-26 (Sec. **323**); rolled into Sec. 402 (Secs. **403** and **410**); Faith-based initiative (Sec. **412**).
  - New Sections:** Requiring the Department to review and improve visitation procedures (**NEW** Sec. **723**); Wheelchair Access for Prisoners and report (**NEW** Sec. **724**); Prisoner Benefit Account Receipts and Expenditure Report (**NEW** Sec. **725**), and Allowance for 12-hour shifts for Corrections Officers (**NEW** Sec. **726**), and **One-Time Section** to replace \$55 million reduction to facilities (**NEW** Sec. **801**).

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FY 2025-26 Year-to-Date Appropriation .....	\$2,163,994,500	\$2,128,211,700		
	CHANGE FROM FY 2025-26 Y-T-D		FY 2026-27 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b><u>Baseline Adjustments</u></b>				
<b>1. Healthcare Corrections Plans and Services.</b> The Senate provided \$4.2 million for increased health care costs including a 3% contract increase and continued increased costs for health care services and pharmacy services.	4,200,000	4,200,000	252,517,500	252,260,300
<b>2. Community Corrections Plans and Services.</b> The Senate included \$1.0 million to provide sufficient funding for programs as the number of participants have increased, grant expenditure rates have increased, and grant application amounts exceed appropriations.	1,000,000	1,000,000	15,198,100	15,198,100
<b>3. Economic Adjustments.</b> Includes \$35,693,600 Gross and \$35,419,000 GF/GP for total economic adjustments.	35,693,600	35,419,000	N/A	N/A
<b><u>New Programs/Program Increases</u></b>				
<b>4. Corrections Officer Pensions.</b> The Senate increased funding by \$33.0 million in Restricted funds to cover costs associated with Enrolled House Bills 4665, 4666, and 4667 of the 102 <sup>nd</sup> Legislative Session awaiting the Governor's signature. The costs associated with these bills would allow certain individuals in law enforcement-related positions, including certain corrections officers and staff at the Department of Corrections, to join the Michigan State Police (MSP) retirement system.	33,000,000	33,000,000	33,000,000	33,000,000
<b><u>Eliminations/Reductions</u></b>				
<b>5. Facilities Reduction.</b> The Senate reduced each correctional facility by 4.3% across the board to achieve a total GF/GP savings of \$50,000,000.	(50,000,000)	(50,000,000)	1,101,296,000	1,100,159,100
<b>6. Facilities Ongoing Funding to One-Time Funding.</b> The Senate moved \$55.0 million in funding from Ongoing facilities operations lines to One-Time. See Item 9 for the inclusion in the One-Time Unit.	(55,000,000)	(55,000,000)		
<b>7. New Custody Staff Training.</b> The Senate moved \$12.3 million in funding from Ongoing New Custody Staff Training to One-Time. See Item 10 for the inclusion in the One-Time Unit.	(12,338,500)	(12,338,500)		

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	CHANGE FROM FY 2025-26 Y-T-D		FY 2026-27 RECOMMENDED APPROPRIATION	
	Gross	GF/GP	Gross	GF/GP
<b><u>One-Time Appropriations</u></b>				
<b>8. Wrap-Around Services.</b> The Senate included \$3.0 million for the Department to provide post-release services to recently released prisoners.	3,000,000	3,000,000	N/A	N/A
<b>9. Facilities Operations.</b> The Senate moved \$55.0 million in Ongoing funding to One-Time funding. Total funding for this line item is \$1.1 billion.	55,000,000	55,000,000		
<b>10. New Custody Staff Training.</b> The Senate moved \$12.3 million in funding from Ongoing New Custody Staff Training to One-Time. Total funding for this line item is \$24.7 million.	12,338,500	12,338,500		
<b>11. Elimination of FY 2025-26 One-Time Appropriations.</b> Senate included the elimination of one-time appropriations from FY 2025-26, which would include: \$3.2 million for Financial Support for Correctional Facilities; \$1.5 million for Correctional Facility Count and Callout Process Automation; \$850,000 for Higher Education in Prison; \$650,000 for Peer Recovery Coaches; and \$533,400 for Women’s Huron Valley Correctional Complex - Ypsilanti.	(6,750,000)	(6,750,000)	0	0
<b><u>Other - NONE</u></b>				
Total Changes.....	\$20,143,600	\$19,869,000		
<b>FY 2026-27 SENATE-PASSED.....</b>	<b>\$2,184,138,100</b>	<b>\$2,148,080,700</b>		

Date Completed: 4-29-26

Fiscal Analyst: Joe Carrasco

**FY 2026-27 Gross and GF/GP Changes to FY 2025-26**

Item #	Budget Area/Line Items	Gov Changes to FY 2025-26			Senate Changes to FY 2025-26		
		FTE	GROSS	GF/GP	FTE	GROSS	GF/GP
<b>DEPARTMENT OF CORRECTIONS</b>							
<b><u>Non-CSB Ongoing Changes</u></b>							
1	CO pension program	0.0	0	0	0.0	33,000,000	33,000,000
2	Transfer 5% of facilities operations from ongoing to one-time	0.0			0.0	(55,000,000)	(55,000,000)
3	Transfer 50% new custody staff training from ongoing to one-time	0.0			0.0	(12,338,500)	(12,338,500)
4	Reduce facilities operations 4.3% GF/GP	0.0			0.0	(50,000,000)	(50,000,000)
5	Deferred maintenance at correctional facilities	0.0					
6	Automation of prisoner count and callout process	0.0					
7	FTE budgetary savings	0.0					
8	Reductions to several line items	0.0					
9	IT 50% reduction	0.0					
10	Property management	0.0					
11	Removal of all placeholders	0.0					
	<b>Subtotal - Non-CSB Ongoing</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>(84,338,500)</b>	<b>(84,338,500)</b>
<b><u>CSB Ongoing Changes</u></b>							
1	Economic adjustments	0.0	35,622,700	35,348,100	0.0	35,622,700	35,348,100
2	Unclassified salaries	0.0	70,900	70,900	0.0	70,900	70,900
3	Healthcare economic adjustment	0.0	4,200,000	4,200,000	0.0	4,200,000	4,200,000
4	Community corrections plans and services	0.0	1,000,000	1,000,000	0.0	1,000,000	1,000,000
	<b>Subtotal - CSB Ongoing</b>	<b>0.0</b>	<b>40,893,600</b>	<b>40,619,000</b>	<b>0.0</b>	<b>40,893,600</b>	<b>40,619,000</b>
<b><u>One-Time Changes</u></b>							
1	Remove FY26 one-time and supplemental appropriations	0.0	(6,750,000)	(6,750,000)	0.0	(6,750,000)	(6,750,000)
2	Transfer 5% of facilities operations from ongoing to one-time	0.0			0.0	55,000,000	55,000,000
3	Transfer 50% new custody staff training from ongoing to one-time	0.0			0.0	12,338,500	12,338,500
4	Wrap-around services	0.0			0.0	3,000,000	3,000,000
	<b>Subtotal - One-Time</b>	<b>0.0</b>	<b>(6,750,000)</b>	<b>(6,750,000)</b>	<b>0.0</b>	<b>63,588,500</b>	<b>63,588,500</b>
	<b>TOTAL DEPARTMENT OF CORRECTIONS</b>	<b>0.0</b>	<b>34,143,600</b>	<b>33,869,000</b>	<b>0.0</b>	<b>20,143,600</b>	<b>19,869,000</b>