



## Senate Bill 866

### *Correctional Services – Payment by State – Inmate Housing Costs*

MACo Position: **SUPPORT**  
**with AMENDMENTS**

To: Judicial Proceedings Committee

Date: March 4, 2021

From: Michael Sanderson

The Maryland Association of Counties (MACo) **SUPPORTS SB 866 WITH AMENDMENTS**. This bill proposes a revised, and more realistic, framework for State reimbursement for inmates sentenced by State courts to serve sentences in local detention facilities. An amendment to set current funding levels as a statutory floor would remedy the potential backwards effect in some local facilities.

For many years, the state/county policy on sentenced inmates rested at a reasonable equilibrium. For relatively short-term sentences, offenders would be sentenced to local detention facilities, rather than state prisons. The State, in turn, paid a per diem reimbursement for the care associated with those inmates. This mechanism served all parties well, until the “great recession” forced budget cuts in 2009 to these reimbursements, which were then re-based and not restored. Now, local facilities receive a fixed-rate reimbursement for certain inmates, that by all accounts does not cover their actual costs.

SB 866 poses a two-part adjustment to this scheme, seeking to move this partnership in a productive direction. The bill seeks to set the State reimbursement at half the actual costs of inmate care, and also empowers the State and individual counties to reach a memorandum of understanding to establish an alternative to that default payment scheme. Overall, the notion of a framework that recognizes actual costs, and allows local flexibility, is a welcome advance to this stagnant structure.

Under the default calculations in SB 866, some facilities may see a decline in reimbursement from their current levels, contrary to the presumed intent of the bill. Such a funding reduction would even further strain local budgets, beyond the continuing effects of the 2009 cutbacks. **MACo urges an amendment to set a floor at the current \$45 reimbursement rate, to avoid this untoward local effect.**

Accordingly, MACo urges the Committee to give SB 866 a **FAVORABLE** report, with amendments to ensure that the revised reimbursement scheme does not reduce payment from the current modest level.