



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill is H.B. 4526

FY 2011-12 Senate-Passed Gross Appropriation	\$6,786,462,200
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House Changes to Senate-Passed:

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| 1. Adoption and Foster Care Programs. The Governor recommended a 15% rate increase for private adoption providers and annualized the costs of the shift to private foster care services. The House concurred with these changes and the Senate provided a \$100 point of difference in the Adoption Service Provider line item. A point of difference is also included in the Foster Care Payments line item. | (100) |
| 2. Juvenile Justice. The Governor closed Shawono Center and increased funding for a re-entry pilot program. The House concurred. The Senate rejected the closure and introduced a flat rate of \$5.3 million at both Shawono Center and Bay Pines. Maxey Training School received the flat rate plus an additional \$3.0 million for special costs. | 2,285,500 |
| 3. Disability Programs. The Governor recognized increased caseloads in the State Disability Assistance (SDA) program and added 7.0 FTEs for the Federal SSI program; the House concurred. The Senate rejected the FTE increase. The Senate and House reduced SDA through different eligibility and hourly requirements. | 10,443,200 |
| 4. Staff and Administration Reductions. The Senate reduced FTEs in Central Support, Community Action and Economic Opportunity, and general administration. | 23,860,900 |
| 5. Child Development and Care. The Governor reduced the hourly reimbursements for unlicensed day care providers. The Senate further reduced funding for licensed care, and the House reduced the number of reimbursable hours. The House reduced funding for the ECIC, and the Senate eliminated the funding, transferring a portion to local GSP offices. | 25,750,000 |
| 6. Michigan 2-1-1 and Customer Service Call Center. The Senate eliminated funding for the Customer Service Call Center, and the House eliminated Michigan 2-1-1. | 400,000 |
| 7. Family Independence Program (FIP) Clothing Allowance. The Senate and House both reduced the clothing allowance. | (9,671,000) |
| 8. Rejected Increases from Governor's Recommendation. The House concurred with the Governor's increases for licensing fees, the SOAHR, and the Attorney General contract. The Senate rejected the increases. | 1,066,700 |
| 9. Other Program Eliminations. The Senate eliminated the Michigan Community Service Commission, volunteer reimbursements and the homeless pilot project in Kent County. | 13,547,700 |
| 10. Other Program Reductions. The Senate reduced indigent burial. The House reduced Employment and Training, Family Preservation, State Emergency Services, and the FY 2010-2011 authorization for the JET-Plus program. | (4,709,000) |
| 11. Other Program Increases. The Senate provided funding for the Chaldean Community Foundation and concurred with the Governor's \$25 annual child support fees. The House rejected the child support fees and increased the Office of Inspector General and the FIP earned income disregard at case closure. | 8,999,900 |
| 12. Fund Shifts for GF/GP Offset and TANF Maintenance of Effort (MOE) Maximization. The Senate transferred \$36.5 million in TANF from CDC to the SSBG for a GF/GP offset and the House transferred \$12.9 million from various line items. The House also maximized the TANF MOE by diverting GF/GP back to the FIP line item. | 0 |

Total Changes	\$71,973,800
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FY 2011-12 House-Passed Gross Appropriation	\$6,858,436,000
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Changes from FY 2011-12 Senate-Passed:

1. **Child Support.** The Governor reinstated language authorizing the State to collect an annual \$25 fee from non-custodial parents to process child support payments. The House rejected the change. (Sec. 10-304). New Senate language allowed employers to deduct a \$2 administrative fee from non-custodial parents. (Senate Sec. 912)
2. **Supervisor-to-Staff Ratios.** New Senate language required a supervisor-to-staff ratio of 1:14. (Senate Sec. 298)
3. **Medicaid Eligibility and New Penalties.** The Senate added a new \$500.00 penalty for each instance that the Department does not process an eligibility application within the given time frame. (Senate Secs. 223 & 224)
4. **Elder Law of Michigan.** Governor and House retained language that provided funding for the Elder Law of Michigan for food outreach. The Senate deleted this section. (House Sec. 423)
5. **Foster Care Length of Stay Target.** House revised the section so that not more than 35% of all children in foster care will have been in foster care for 24 months or more. Senate retained the existing language. (House Sec. 501)
6. **Foster Care Rates.** House revised current language to set the daily administrative rate for foster care services at \$37.00 per day; similarly setting the rate for private providers of independent living foster care services at \$28.00 per day. The Senate retained current language and the Governor deleted the section. (Senate and House Sec. 546)
7. **Adoption Subsidies.** Senate revised current section permitting adoptive parents up to one year to claim subsidies for special needs children. The Governor and House deleted this section. (Senate Sec. 556)
8. **Service Provider Payments.** Updated Senate language required payments for energy assistance and rent made directly to providers and landlords. The House required the EBT fraud report to come directly from the Office of Inspector General. (Senate Sec. 603 and Senate and House Sec. 672)
9. **State Disability Assistance.** Updated Senate language changed eligibility standards for recipients of SDA assistance. The Governor deleted the section and the House retained current year language. (Senate and House Sec. 604). The Senate and House also retained Secs. 605 and 606.
10. **Indigent Burial.** The Senate reinstated and updated language about indigent burial, providing reimbursements for burial in cases where the deceased has not been claimed. The Governor and House deleted. (Senate Sec. 613)
11. **Public Assistance for Felons.** The Senate and House reinstated food assistance eligibility for those convicted of a drug felony. The House included new restrictions on the eligibility. (Senate and House Sec. 619)
12. **FIP Income Disregard.** New House language required the Department, at the time of the initial FIP application, to disregard \$200 plus 20% of an applicant's income when determining income and asset eligibility and to disregard \$200 plus 50% of recipients' income while they continue to receive assistance. (House Sec. 651)
13. **FIP Clothing Allowance.** The Senate and House reduced authorization, and the Senate introduced additional requirements, including the distribution of funds on clothing purchase cards. (Senate and House Sec. 669)
14. **Eligibility Privatization.** New Senate language required contracts with private providers for Medicaid and day care eligibility. (Senate Secs. 620 & 674)
15. **Child Development and Care.** New Senate language allocated \$7.6 million to local Great Start Collaborative offices. New House language reduced the number of reimbursable hours. (Senate Sec. 680/House Sec. 680)
16. **Work Requirement Sanctions and Policy.** New Senate section implemented sanctions and policies for FIP clients who are not in compliance with work requirements. (Senate Sec. 681)
17. **Chaldean Community Foundation.** New Senate section authorized a funding placeholder. (Senate Sec. 696)
18. **County Spending Plan.** Senate updated language, changing the deadlines for county spending plans for the Child Care Fund. House removed part (2). (Senate and House Sec. 708)
19. **Transfer of SER and Energy Programs to CAAs.** New Senate section required the Department to consolidate energy and emergency programs in the Community Action Agencies. (Senate Sec. 1103)
20. **Boilerplate for FY 2012-13.** FY 2012-13 was addressed in this new Senate section. (Senate Sec. 1201)

Date Completed: 5-9-12

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