

FY 2021-22 and FY 2022-23 SUPPLEMENTAL APPROPRIATIONS
Summary: Conference Report
Senate Bill 7 (S-1) CR-1 *



HFA Director: Mary Ann Cleary
 Supplemental Coordinator: Robin R. Risko

Overview

Senate Bill 7 (S-1) CR-1 * contains supplemental appropriation adjustments to multiple state department budgets for FY 2021-22 and FY 2022-23. In sum, FY 2021-22 appropriation adjustments total \$146.3 million Gross, of which \$128.4 million is federal revenue for the Department of Health and Human Services. Of the \$128.4 million in federal revenue, \$120.0 million is for the Food Assistance Program. FY 2021-22 appropriations include book closing adjustments requested by the State Budget Office initially in Legislative Transfer Requests 2022-7 and 2022-8, and subsequently in Supplemental Requests 2022-7, 2022-8, and 2022-9. FY 2022-23 appropriation adjustments total \$946.2 million Gross (\$706.2 million GF/GP). The majority of FY 2022-23 appropriations are allocated to the Department of Labor and Economic Opportunity.

Appropriation and boilerplate priorities initiated by the legislature and State Budget Office are identified following this overview.

FY 2022-23 APPROPRIATION SUMMARY

Budget Area		FY 2022-23 Year-to-Date Appropriations	FY 2022-23 Supplemental Change	% Change
Labor and Economic Development	Gross	\$3,816,486,200	\$873,000,000	22.9
	GF/GP	\$2,307,839,900	\$633,000,000	27.4
Legislature	Gross	\$186,677,000	\$3,170,000	1.7
	GF/GP	\$181,283,000	\$3,170,000	1.7
State Police	Gross	\$823,705,800	\$20,000,000	2.4
	GF/GP	\$552,709,200	\$20,000,000	3.6
Transportation	Gross	\$6,104,448,900	\$25,000,000	0.4
	GF/GP	\$66,250,000	\$25,000,000	37.7
Treasury - Operations	Gross	\$1,579,358,500	\$25,000,000	1.6
	GF/GP	\$1,036,440,500	\$25,000,000	2.4
TOTAL	Gross	\$12,510,676,400	\$946,170,000	7.6
	GF/GP	\$4,144,522,600	\$706,170,000	17.0

FY 2022-23 Supplemental Appropriation Items

LABOR AND ECONOMIC OPPORTUNITY

1. ARP – Blight Elimination Program

Includes \$75.0 million in federal Coronavirus State Fiscal Recovery Fund revenue for a grant program to be administered by the State Land Bank Authority for blight elimination. Grants could be used to demolish or stabilize vacant residential, commercial, or industrial structures and to support related expenses. Grants could be awarded to a land bank authority, county, city, village, or township.

Gross	\$75,000,000
Federal	75,000,000
GF/GP	\$0

2. ARP – Missing Middle Gap Program

Includes \$50.0 million in federal Coronavirus State Fiscal Recovery Fund revenue for a missing middle housing grant program to be administered by the Michigan State Housing Development Authority (MSHDA) to increase the supply of housing stock targeted to missing middle households, currently defined by MSHDA as households with incomes between 185% and 300% of the Federal Poverty Guidelines. The program would provide cost defrayment to eligible developers that invest in, construct, or rehabilitate related properties.

Gross	\$50,000,000
Federal	50,000,000
GF/GP	\$0

<u>FY 2022-23 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>	
3. ARP – Removal of Workforce Barriers		Gross	\$15,000,000
Includes \$15.0 million in federal Coronavirus State Fiscal Recovery Fund revenue for the employment, reemployment, and removal of barriers that prevent at-risk individuals from entering and staying in the workforce.		Federal	15,000,000
		GF/GP	\$0
4. ARP – Small Business Smart Zones and Business Accelerators		Gross	\$75,000,000
Includes \$75.0 million in federal Coronavirus State Fiscal Recovery Fund revenue to support programs administered by the Michigan Strategic Fund (MSF) for small businesses who were disproportionately impacted by the COVID-19 pandemic. MSF would be authorized to award grants for small business smart zones, business accelerators, and other entrepreneurial activities to local and nonprofit economic development organizations and additional investment entities.		Federal	75,000,000
		GF/GP	\$0
5. ARP – Statewide Apprenticeship Expansion		Gross	\$25,000,000
Includes \$25.0 million in federal Coronavirus State Fiscal Recovery Fund revenue to support statewide apprenticeship expansion within LEO.		Federal	25,000,000
		GF/GP	\$0
6. Community Revitalization and Placemaking Grants Program		Gross	\$100,000,000
Includes \$100.0 million GF/GP for a grant program to be administered by the MSF to invest in projects that encourage population and tax revenue growth from rehabilitation and development of certain properties, such as vacant and blighted buildings, historic structures, vacant properties, and traditional downtown infrastructure.		GF/GP	\$100,000,000
7. Housing Gap Financing and Affordable Housing		Gross	\$150,000,000
Includes \$150.0 million GF/GP for the legislature and SBO to work on creating an affordable housing tax credit gap financing program for the purpose of reducing the housing cost burden of residents and increasing the supply of and preserving existing affordable housing.		GF/GP	\$150,000,000
8. Michigan Infrastructure Grants		Gross	\$33,000,000
Appropriates \$33.0 million GF/GP for infrastructure grants. Of the \$33.0 million, \$25.0 million would be allocated to the City of Walker in Kent County for improvements to the Fruit Ridge Avenue bridge and \$8.0 million would be allocated to the Village of Lexington in Sanilac County for redevelopment of Lexington Harbor.		GF/GP	\$33,000,000
9. Strategic Outreach and Attraction Reserve Fund (SOAR)		Gross	\$150,000,000
Includes \$150.0 million GF/GP to be deposited into the SOAR Fund.		GF/GP	\$150,000,000
10. Upper Peninsula Economic Development Project		Gross	\$200,000,000
Includes \$200.0 million GF/GP for a grant to be awarded to a business in Delta County for an economic development project.		GF/GP	\$200,000,000
LEGISLATURE			
11. Independent Citizens Redistricting Commission (ICRC)		Gross	\$3,170,000
Includes \$3.2 million GF/GP for the ICRC to cover additional legal costs. Of the \$3.2 million, \$1.5 million would be reappropriated funding that was part of the \$2.2 million GF/GP appropriated in 2022 PA 166 for legal costs of the ICRC. Unexpended funding for the ICRC at the end of the fiscal year is required to lapse to the general fund. The \$1.5 million was not spent by the end of FY 2021-22.		GF/GP	\$3,170,000
STATE POLICE			
12. In-Service Training		Gross	\$20,000,000
Includes \$20.0 million GF/GP for deposit into the Law Enforcement Officers Training Fund to support in-service training standards.		GF/GP	\$20,000,000
TRANSPORTATION			
13. Category (b) Projects		Gross	\$25,000,000
Includes \$25.0 million GF/GP for Transportation Economic Development Fund category (b) projects. Category (b) projects are defined in the Transportation Economic Development Fund Act as “projects for construction or preservation of streets in cities and villages with populations of 10,000 or less, including, but not limited to, reconstruction, replacement, rehabilitation, and capital preventive maintenance.” (MCL 247.909)		GF/GP	\$25,000,000

FY 2022-23 Supplemental Appropriation Items

TREASURY

14. Water Shutoff Prevention Fund

Includes \$25.0 million GF/GP to be deposited into the Water Shutoff Prevention Fund that would be created in Treasury under boilerplate Sec. 601.

Gross	\$25,000,000
GF/GP	\$25,000,000

FY 2022-23 Supplemental Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

States amount of state spending from state sources in the bill and amount of state spending to be paid to local units of government.

Sec. 202. Appropriations Subject to Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. Allocation and Expenditure of Appropriations

Requires allocation and expenditure of appropriations in a manner consistent with federal rules and regulations.

Sec. 204. Appropriations Subject to Federal Audit and Reporting Requirements

Subjects appropriations to applicable federal audit and reporting requirements; requires prompt action if instances of noncompliance are identified; requires the state budget director to notify appropriations committees and fiscal agencies of instances of noncompliance.

Sec. 205. Report on Status of Federal COVID Relief Appropriations

Requires the state budget director to report on the status of all funds appropriated related to the coronavirus relief effort on a monthly basis until all funds are exhausted.

LABOR AND ECONOMIC OPPORTUNITY

Sec. 301. ARP – Blight Elimination Program

Requires State Land Bank Authority to establish and administer a grant program for blight elimination; authorizes grants to be used to demolish or stabilize vacant residential, commercial, or industrial structures and to be awarded to a land bank authority, county, city, village, or township; designates unexpended funds as a work project appropriation.

Sec. 302. ARP – Missing Middle Gap Program

Requires Michigan State Housing Development Authority (MSHDA) to develop and administer a missing middle housing grant program to increase the supply of housing stock targeted to missing middle households; authorizes funding to be used to provide cost defrayment to eligible developers that invest in, construct, or rehabilitate related properties; requires projects to be either new construction, substantial rehabilitation, or a combination of both and to be appropriate for the area; designates unexpended funds as a work project appropriation.

Sec. 303. ARP – Removal of Workforce Barriers

Requires LEO to allocate funding for the employment, reemployment, and removal of barriers that prevent at-risk individuals from entering and staying in the workforce; authorizes funding to be used to support transportation services, child care, clothing, and work tools.

Sec. 304. ARP – Small Business Smart Zones and Business Accelerators

Requires MSF to administer support programs for small businesses that were disproportionately impacted by the COVID-19 pandemic; authorizes grants to be awarded for small business smart zones, business accelerators, and other entrepreneurial activities to local and nonprofit economic development organizations and additional investment entities; requires report; designates unexpended funds as a work project appropriation.

Sec. 305. ARP – Statewide Apprenticeship

Requires LEO to develop and administer a statewide apprenticeship expansion program.

Sec. 306. Community Revitalization and Placemaking Grants Program

Requires MSF to administer a grant program to invest in projects that encourage population and tax revenue growth from rehabilitation and development of certain properties, such as vacant and blighted buildings, historic structures, vacant properties, and traditional downtown infrastructure; requires report; designates unexpended funds as a work project appropriation.

Sec. 307. Housing Gap Financing and Affordable Housing

Expresses legislative intent that the legislature and SBO work on creating an affordable housing tax credit gap financing program for the purpose of reducing the housing cost burden of residents and increasing the supply of and preserving existing affordable housing.

FY 2022-23 Supplemental Boilerplate Items

Sec. 308. Michigan Infrastructure Grants

Allocates \$25.0 million to the City of Walker in Kent County for improvements to the Fruit Ridge Avenue bridge; allocates \$8.0 million to the Village of Lexington in Sanilac County for redevelopment of Lexington Harbor.

Sec. 309. Grant Agreements

Requires MSF to execute a grant agreement with certain requirements for each Michigan Infrastructure Grant awarded; requires recipients to respond to reasonable requests; requires quarterly updates on status of grants.

Sec. 310. Strategic Outreach and Attraction Reserve Fund (SOAR)

Requires funding be deposited into the SOAR Fund.

Sec. 311. State Restricted Contingency Authorization

Authorizes up to \$150.0 million in state restricted contingency funds; prohibits funds from being expended unless authorized by a legislative transfer.

Sec. 312. Upper Peninsula Economic Development Project

Requires an economic development project grant be awarded to a business in the City of Escanaba and that the business invest at least \$1.1 billion at the specified location; requires grant to be performance based and to include rules and guidelines of MSF or MEDC.

Sec. 313. Administration of ARP-Funded Programs

Authorizes LEO to hire limited-term employees and to expend up to 2.5% of ARP appropriations for administrative implementation and oversight of ARP-funded programs.

LEGISLATURE

Sec. 401. Independent Citizens Redistricting Commission (ICRC)

States legislative intent that ICRC funding be used to cover the commission's additional legal costs in a manner that is consistent with the current dormancy plan of the ICRC.

STATE POLICE

Sec. 501. In-Service Training

Requires funding appropriated for in-service training to be deposited into the Law Enforcement Officers Training Fund; appropriates all funds in the Law Enforcement Officers Training Fund to support implementation of annual in-service training standards for licensed law enforcement officers; requires MCOLES to report on required in-service training standards, use of funds, and recommendations for improvements.

Sec. 502. MCOLES Staffing

Authorizes the Michigan Commission on Law Enforcement Standards to increase FTE position capacity by 7.0 to support development and implementation of in-service training standards and requirements.

TREASURY

Sec. 601. Water Shutoff Prevention Fund

Establishes the Water Shutoff Prevention Fund within Treasury; requires funding to be spent only upon appropriation or legislative transfer; requires unexpended funding at the close of a fiscal year to remain in the fund and not lapse to the general fund.

FY 2021-22 APPROPRIATION SUMMARY

Budget Area		FY 2021-22 Year-to-Date Appropriations	FY 2021-22 Supplemental Change	% Change
Corrections	Gross	\$2,065,873,000	\$300,000	0.0
	GF/GP	\$1,065,369,400	\$0	0.0
Environment, Great Lakes, and Energy	Gross	\$2,653,368,600	\$50,000	0.0
	GF/GP	\$282,945,300	\$0	0.0
Health and Human Services	Gross	\$34,929,041,900	\$139,409,000	0.4
	GF/GP	\$4,754,274,400	\$0	0.0
Labor and Economic Opportunity	Gross	\$4,470,763,000	\$0	0.0
	GF/GP	\$1,630,615,600	\$0	0.0
Military and Veterans Affairs	Gross	\$232,004,000	\$150,000	0.1
	GF/GP	\$82,410,200	\$0	0.0
State Police	Gross	\$1,289,419,900	\$6,386,400	0.5
	GF/GP	\$632,689,300	\$0	0.0
Treasury – Revenue Sharing	Gross	\$1,458,735,300	\$0	0.0
	GF/GP	\$46,433,000	\$0	0.0
TOTAL	Gross	\$47,099,205,700	\$146,295,400	0.3
	GF/GP	\$8,494,737,200	\$0	0.0

<u>FY 2021-22 Supplemental Appropriation Items</u>	<u>Appropriation Change</u>
CORRECTIONS	
1. Prisoner Transportation	
Reflects the transfer of \$920,000 GF/GP from the Special Alternative Incarceration Program line item to the Transportation line item to cover higher than budgeted prisoner transportation costs. Transportation costs are higher than anticipated as a result of higher fuel costs and because of insufficient funding available to support staff retention premium payments. Premium payments were implemented during the fiscal year but were not specifically budgeted for. Funding is available from the Special Alternative Incarceration Program line item due to a reduced number of program participants. There have been fewer court sentences to the program.	Gross \$0 GF/GP \$0
2. Prisoner Clinical Costs	
Reflects the transfer of \$10.0 million GF/GP from the Prisoner Health Care Services line item to the Clinical Complexes line item to cover higher than anticipated onsite clinical costs. Clinical payroll costs for contract nursing and state clinical staff increased more than what was budgeted for. Costs also increased for medical, surgical, and laboratory supplies. Funding is available from the Clinical Complexes line item due to lower than budgeted offsite health care costs.	Gross \$0 GF/GP \$0
3. Staff Retention Premium Payments	
Reflects the transfer of a total of \$2.1 million GF/GP from a number of correctional facility line items to the Macomb, Thumb, and Woodland Correctional Facility line items to support staff retention premium payments. Premium payments were implemented during the fiscal year but were not specifically budgeted for. Funding is available from correctional facilities that had housing unit closures during the fiscal year.	Gross \$0 GF/GP \$0
4. Detroit Detention Center	
Includes authorization to receive an additional \$300,000 from the City of Detroit to support higher than anticipated costs for operation of the Detroit Detention Center. Costs are higher than projected due to employee retention payments, increased contracted nursing costs, and increased costs for janitorial services.	Gross \$300,000 Local 300,000 GF/GP \$0
5. Northern Training Facility	
Reflects the transfer of \$15.0 million GF/GP from various line items throughout the budget to a new one-time capital outlay line item, Corrections Northern Training Facility. Funding would be used to construct a northern training academy site for the department to train corrections officers for correctional facilities located in the northern region of the state. Funding is available from various line items that experienced operating surpluses.	Gross \$0 GF/GP \$0

FY 2021-22 Supplemental Appropriation Items

ENVIRONMENT, GREAT LAKES, AND ENERGY

6. Environmental Contamination Activities

Includes authorization for \$50,000 in state restricted revenue to be used to support remediation and redevelopment activities at sites of environmental contamination throughout the state. Revenue to support these projects is available from damages collected from liable parties through legal settlement agreements.

Gross	\$50,000
Restricted	50,000
GF/GP	\$0

HEALTH AND HUMAN SERVICES

7. Public Assistance Caseload Adjustments

Includes a net-zero transfer of \$4.4 million Gross (\$4.8 million GF/GP) from the Indigent Burial and Public Assistance Field Staff line items to support increased caseload costs for SSI and the Family Independence Program, as well as \$2.0 million GF/GP from Family Preservation Programs to offset a reduction in child support collections funding for the Family Independence Program.

Gross	\$0
TANF	0
GF/GP	\$0

8. Food Assistance Program Caseload Increase

Includes \$120.0 million federal Supplemental Nutrition Assistance Program revenue to support increased FAP caseload and costs.

Gross	\$120,000,000
Federal	120,000,000
GF/GP	\$0

9. Employment Verification Contract Costs

Transfers \$1.5 million GF/GP each from both the Public Assistance Field Staff and the Electronic Benefits Transfer (EBT) line items to the field services Contractual Services, Supplies and Materials line item to cover increased employment verification contract costs.

Gross	\$0
GF/GP	\$0

10. Family Support Subsidy Caseload Increase

Includes a net-zero transfer of \$440,000 TANF revenue from the Public Assistance Field Staff line item to support increased caseload costs.

Gross	\$0
TANF	0
GF/GP	\$0

11. Certified Community Behavioral Health Clinics (CCBHCs)

Increases the Certified Community Behavioral Health Clinics (CCBHC) line item by an additional \$34.0 million Gross (\$12.0 million GF/GP) based on updated FY 2021-22 preliminary cost estimates for the supplemental prospectively-based payments to CCBHCs. Final reconciliation information will happen annually. Authorization is transferred from the Medicaid Mental Health line item as DHHS estimates authorization to be available once accruals and cost settlements are finalized as part of the final book closing process.

Gross	\$0
Federal	0
GF/GP	\$0

12. Mental Health Block Grant

Increases federal authorization in the Federal Mental Health Block Grant line item by \$2.7 million to allow expenditure of available revenue on eligible costs in FY 2021-22. The state's allocation from the Federal Mental Health Block Grant increased faster than the line item's authorization. The FY 2021-22 federal grant totaled \$23.8 million. Federal authority from the Health Homes line item is available for transfer due to lower than anticipated expenditures in FY 2021-22.

Gross	\$0
Federal	0
GF/GP	\$0

13. Behavioral Health Services Cost Adjustments

Shifts \$7.1 million Gross (\$300,000 GF/GP) between Medicaid behavioral health line items to align to forecasted final expenditures in these line items. The transfer would address small differences in the distribution of Medicaid behavioral health costs from what was forecasted during the May 2022 Medicaid caseload consensus.

Gross	\$0
Federal	0
GF/GP	\$0

14. State Psychiatric Hospital Book-Closing Adjustments

Includes a net increase of \$9.5 million Gross (\$0 GF/GP) in federal and state restricted revenue authorizations to support final anticipated expenditures at the state psychiatric hospitals. Of note, these funds would provide authorization for approximately \$10.0 million in building renovations at the Hawthorn Center to increase capacity by 24 beds. The ongoing operational cost increase of the increased bed capacity at the Hawthorn Center is included in the FY 2022-23 enacted DHHS budget.

Gross	\$9,500,000
Federal	4,000,000
Restricted	5,500,000
GF/GP	\$0

15. Medical Services Administration

Transfers \$25,000 of state restricted authorization from the Special Medicaid Reimbursement line item to the Medicaid Services Administration line item. Each year, a portion of specialty network access fee (SNAF) and physician adjustor revenue is provided to the Medical Services Administration line item to cover the cost of processing those payments. A portion of FY 2020-21 SNAF revenue was not included in the FY 2020-21 accrual and is therefore available in FY 2021-22. That increase results in total available state restricted revenue being more than the amount authorized.

Gross	\$0
Restricted	0
GF/GP	\$0

		Appropriation Change
<u>FY 2021-22 Supplemental Appropriation Items</u>		
16. Medical Services Cost Adjustments		
Shifts \$276.8 million Gross (\$111.3 million GF/GP) between various physical health Medicaid and Children's Special Healthcare Services (CSHCS) program line items to align with the forecasted final expenditure from these line items for FY 2021-22. Adjustments are necessary to account for all payments made to Medicaid and CSHCS providers for services rendered in FY 2021-22.	Gross	\$0
	Federal	0
	Private	0
	Restricted	0
	GF/GP	\$0
17. Quality Assurance Assessment Program (QAAP) Tax Revenue		
Includes \$5.5 million in state restricted authorization for the Health Plan Services, Healthy Michigan Plan, and Long-Term Care Services line items. This authorization would be needed for expenditure of collected or accrued quality assurance assessment program (QAAP) tax revenue that is higher than anticipated.	Gross	\$5,500,000
	Restricted	5,500,000
	GF/GP	\$0
18. Family Violence and Prevention Services		
Includes \$4.4 million in federal expenditure authorization to support a Rape Crisis and Services Support Grant. This grant is the third grant awarded to DHHS in FY 2021-22.	Gross	\$4,409,000
	Federal	4,409,000
	GF/GP	\$0
LABOR AND ECONOMIC OPPORTUNITY		
19. Missing Middle Gap Program		
Unappropriates and reappropriates funding for the Missing Middle Gap Program to allow for revisions to be made to current boilerplate. The definition of missing middle households would be revised in boilerplate to remove specific income limits as the defining factor of a missing middle household. This is expected to allow for program expansion and for MSHDA to reach an additional 23,000 households.	Gross	\$0
	Federal	0
	GF/GP	\$0
MILITARY AND VETERANS AFFAIRS		
20. Web-Based Grant Management System		
Reflects the transfer of \$62,000 GF/GP from the Veterans Service Grants line item to the Michigan Veterans Affairs Agency Administration line item to support continued costs for developing a web-based grant management system that will modernize the administration of veterans service grants. Funding is available from the Veterans Service Grants line item due to some grantees not having earned the full amount of grant funding available.	Gross	\$0
	GF/GP	\$0
21. Authorization for Additional Medicaid		
Adjusts the veterans homes line items and associated fund sources, for a net \$0 appropriation, to align funding authorization with the amount of Medicaid revenue received. Medicaid revenue received is higher than what was originally projected based on re-pricing from DHHS. Increased Medicaid authorization totals \$1.8 million: \$100,000 for the D.J. Jacobetti Home for Veterans, \$1.2 million for the Grand Rapids Home for Veterans, and \$500,000 for the Chesterfield Township Home for Veterans	Gross	\$0
	Federal	0
	GF/GP	\$0
22. COVID-19 Special Maintenance		
Includes \$150,000 in additional federal funds to align authorization with projected revenue available through the federal CARES Act for construction projects at state veterans homes. Specifically, funding would be used to support the elevator replacement project at the D.J. Jacobetti Home for Veterans.	Gross	\$150,000
	Federal	150,000
	GF/GP	\$0
STATE POLICE		
23. Coronavirus Relief Funds for Payroll		
Includes \$6.4 million of federal authorization and reduces GF/GP authorization by a like amount to allow for expenditure of interest earned on federal Coronavirus Relief Funds on eligible public safety payroll costs.	Gross	\$0
	Federal	6,386,400
	GF/GP	(\$6,386,400)
24. Federal Ineligible Expenses		
Includes \$6.4 million GF/GP to support COVID-19 response activities that are determined to be ineligible for federal reimbursement.	Gross	\$6,386,400
	GF/GP	\$6,386,400
TREASURY – REVENUE SHARING		
25. Financially Distressed Cities, Villages, or Townships (CVTs) Program		
Reflects the transfer of \$102,875 in sales tax revenue from the CVT revenue sharing program to the financially distressed CVT grant program for a net \$0 appropriation. Boilerplate language in section 952(5) of 2021 PA 87 requires any remaining funding in the CVT revenue sharing program to be made available for the financially distressed CVT program, after legislative approval.	Gross	\$0
	Restricted	0
	GF/GP	\$0

FY 2021-22 Supplemental Boilerplate Items

GENERAL SECTIONS

Sec. 1201. State Spending and State Appropriations Paid to Local Units of Government

States amount of state spending from state sources in the bill and amount of state spending to be paid to local units of government.

Sec. 1202. Appropriations Subject to Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 1203. Allocation and Expenditure of Appropriations

Requires allocation and expenditure of appropriations in a manner consistent with federal rules and regulations.

Sec. 1204. Appropriations Subject to Federal Audit and Reporting Requirements

Subjects appropriations to applicable federal audit and reporting requirements; requires prompt action if instances of noncompliance are identified; requires the state budget director to notify appropriations committees and fiscal agencies of instances of noncompliance.

Sec. 1205. Report on Status of Federal COVID Relief Appropriations

Requires the state budget director to report on the status of all funds appropriated related to the coronavirus relief effort on a monthly basis until all funds are exhausted.

LABOR AND ECONOMIC OPPORTUNITY

Sec. 1301. Missing Middle Gap Program

Requires appropriation to be used by MSHDA to create a missing middle housing program to increase the housing supply by providing cost defrayment to developers investing in, constructing, or substantially rehabilitating properties that are targeted to missing middle households; requires housing program to be administered by MSHDA; lists requirements that MSHDA must follow; lists requirements regarding approval and award of grant funding; lists requirements for developers; lists requirements for expenditure of grant awards; designates unexpended funds as a work project appropriation.

STATE POLICE

Sec. 1401. Expenses Ineligible for Federal Reimbursement

Designates unexpended funds as a work project appropriation; purpose is to cover expenses that are determined to be ineligible for federal reimbursement.

REPEALER

Sec. 1501. Repeal Missing Middle Gap Program

Repeals Missing Middle Gap Program boilerplate in 2022 PA 53 and replaces it with section 1301 of this bill; new language includes a revised definition of missing middle households, removes specific income limits, and allows MSHDA to better serve the target population by expanding eligibility and reaching more recipients.