

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 138

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. There is appropriated for various state departments
4 and agencies to supplement appropriations for the fiscal year
5 ending September 30, 2011, from the following funds:

6 APPROPRIATION SUMMARY

7 GROSS APPROPRIATION..... \$ 277,302,100

8 Interdepartmental grant revenues:

1	Total interdepartmental grants and intradepartmental		
2	transfers		0
3	ADJUSTED GROSS APPROPRIATION.....	\$	277,302,100
4	Federal revenues:		
5	Total other federal revenues.....		139,077,600
6	Special revenue funds:		
7	Total local revenues.....		(5,018,500)
8	Total private revenues.....		407,200
9	Total other state restricted revenues.....		23,242,700
10	State general fund/general purpose.....	\$	119,593,100
11	Sec. 102. DEPARTMENT OF COMMUNITY HEALTH		
12	(1) APPROPRIATION SUMMARY		
13	GROSS APPROPRIATION.....	\$	250,250,800
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers		0
17	ADJUSTED GROSS APPROPRIATION.....	\$	250,250,800
18	Federal revenues:		
19	Total other federal revenues.....		159,168,300
20	Special revenue funds:		
21	Total local revenues.....		0
22	Total private revenues.....		807,200
23	Total other state restricted revenues.....		(9,887,500)
24	State general fund/general purpose.....	\$	100,162,800
25	(2) COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE		
26	SERVICES PROGRAMS		

1	Medicaid mental health services.....	\$	118,774,900
2	Medicaid adult benefits waiver.....		11,292,200
3	Medicaid substance abuse services.....		3,758,300
4	Community substance abuse, prevention, education and		
5	treatment programs		<u>2,929,400</u>
6	GROSS APPROPRIATION.....	\$	136,754,800
7	Appropriated from:		
8	Federal revenues:		
9	Total other federal revenues.....		90,508,600
10	Federal FMAP stimulus (ARRA)		7,758,000
11	State general fund/general purpose	\$	38,488,200
12	(3) FAMILY, MATERNAL, AND CHILDREN'S HEALTH		
13	SERVICES		
14	Dental programs.....	\$	60,000
15	Family, maternal, and children's health services		
16	administration		684,200
17	Special projects.....		<u>857,200</u>
18	GROSS APPROPRIATION.....	\$	1,601,400
19	Appropriated from:		
20	Federal revenues:		
21	Total federal revenues.....		794,200
22	Special revenue funds:		
23	Total private revenues.....		807,200
24	State general fund/general purpose	\$	0
25	(4) CHILDREN'S SPECIAL HEALTH CARE SERVICES (CSHCS)		
26	Medical care and treatment.....	\$	<u>43,366,800</u>
27	GROSS APPROPRIATION.....	\$	43,366,800

1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues	24,554,300
4	State general fund/general purpose	\$ 18,812,500
5	(5) MEDICAL SERVICES ADMINISTRATION	
6	Electronic health record incentive program	\$ <u>47,292,000</u>
7	GROSS APPROPRIATION	\$ 47,292,000
8	Appropriated from:	
9	Federal revenues:	
10	Total other federal revenues	45,825,300
11	State general fund/general purpose	\$ 1,466,700
12	(6) MEDICAL SERVICES	
13	Hospital services and therapy	\$ (41,299,700)
14	Physician services	4,198,300
15	Medicare premium payments	(10,547,100)
16	Pharmaceutical services	(56,565,000)
17	Home health services	225,100
18	Auxiliary medical services	(1,466,800)
19	Dental services	(1,404,600)
20	Ambulance services	(705,500)
21	Long-term care services	29,332,100
22	Medicaid home- and community-based services waiver ...	0
23	Adult home help services	(1,196,700)
24	Personal care services	95,800
25	Health plan services	69,063,300
26	Medicaid adult benefits waiver	37,023,700
27	Federal Medicare pharmaceutical program	(5,517,100)

1	Subtotal basic medical services program.....	21,235,800
2	GROSS APPROPRIATION.....	\$ 21,235,800
3	Appropriated from:	
4	Federal revenues:	
5	Total other federal revenues.....	(9,730,100)
6	Federal FMAP stimulus (ARRA).....	(542,000)
7	Special revenue funds:	
8	Merit award trust fund.....	(1,987,500)
9	Total other state restricted revenues.....	(7,900,000)
10	State general fund/general purpose.....	\$ 41,395,400
11	Sec. 103. DEPARTMENT OF CORRECTIONS	
12	(1) APPROPRIATION SUMMARY	
13	GROSS APPROPRIATION.....	\$ 1,000,000
14	Interdepartmental grant revenues:	
15	Total interdepartmental grants and intradepartmental	
16	transfers	0
17	ADJUSTED GROSS APPROPRIATION.....	\$ 1,000,000
18	Federal revenues:	
19	Total federal revenues.....	0
20	Special revenue funds:	
21	Total local revenues.....	0
22	Total private revenues.....	0
23	Total other state restricted revenues.....	0
24	State general fund/general purpose.....	\$ 1,000,000
25	(2) CORRECTIONAL FACILITIES - ADMINISTRATION	
26	Pilot public safety program for city of Flint	\$ <u>1,000,000</u>

1	GROSS APPROPRIATION.....	\$	1,000,000
2	Appropriated from:		
3	State general fund/general purpose.....	\$	1,000,000
4	Sec. 104. DEPARTMENT OF HUMAN SERVICES		
5	(1) APPROPRIATION SUMMARY		
6	GROSS APPROPRIATION.....	\$	(30,925,900)
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		0
10	ADJUSTED GROSS APPROPRIATION.....	\$	(30,925,900)
11	Federal revenues:		
12	Total federal revenues.....		(23,487,700)
13	Special revenue funds:		
14	Total local revenues.....		(5,018,500)
15	Total private revenues.....		(400,000)
16	Total other state restricted revenues.....		0
17	State general fund/general purpose.....	\$	(2,019,700)
18	(2) CHILDREN'S RIGHTS SETTLEMENT		
19	Foster care payments.....	\$	(12,314,600)
20	Child care fund.....		(11,032,400)
21	Adoption subsidies.....		<u>(10,445,200)</u>
22	GROSS APPROPRIATION.....	\$	(33,792,200)
23	Appropriated from:		
24	Federal revenues:		
25	Total other federal revenues.....		(27,631,000)
26	Special revenue funds:		

1	Private - collections.....	(400,000)
2	Local funds - county chargeback.....	(5,018,500)
3	State general fund/general purpose.....	\$ (742,700)
4	(3) PUBLIC ASSISTANCE	
5	Family independence program.....	\$ (5,260,100)
6	State disability assistance payments.....	(2,612,800)
7	State supplementation.....	1,335,800
8	Licensed and registered child development and care ...	8,198,800
9	Enrolled child development and care.....	<u>1,204,600</u>
10	GROSS APPROPRIATION.....	\$ 2,866,300
11	Appropriated from:	
12	Federal revenues:	
13	Total other federal revenues.....	4,143,300
14	State general fund/general purpose.....	\$ (1,277,000)
15	Sec. 105. DEPARTMENT OF STATE POLICE	
16	(1) APPROPRIATION SUMMARY	
17	GROSS APPROPRIATION.....	\$ 750,000
18	Interdepartmental grant revenues:	
19	Total interdepartmental grants and intradepartmental	
20	transfers	0
21	ADJUSTED GROSS APPROPRIATION.....	\$ 750,000
22	Federal revenues:	
23	Total federal revenues.....	0
24	Special revenue funds:	
25	Total local revenues.....	0
26	Total private revenues.....	0

1	Total other state restricted revenues		0
2	State general fund/general purpose	\$	750,000
3	(2) EMERGENCY MANAGEMENT		
4	Disaster contingency fund	\$	<u>750,000</u>
5	GROSS APPROPRIATION	\$	750,000
6	Appropriated from:		
7	State general fund/general purpose	\$	750,000
8	Sec. 106. STATE TRANSPORTATION DEPARTMENT		
9	(1) APPROPRIATION SUMMARY		
10	GROSS APPROPRIATION	\$	3,397,000
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers		0
14	ADJUSTED GROSS APPROPRIATION	\$	3,397,000
15	Federal revenues:		
16	Total federal revenues		3,397,000
17	Special revenue funds:		
18	Total local revenues		0
19	Total private revenues		0
20	Total other state restricted revenues		0
21	State general fund/general purpose	\$	0
22	(2) AIRPORT IMPROVEMENT PROGRAMS		
23	Airport safety, protection, and improvement program		
24	(ARRA)	\$	<u>3,397,000</u>
25	GROSS APPROPRIATION	\$	3,397,000
26	Appropriated from:		

1	Federal revenues:		
2	DOT, federal aviation administration, grants-in-aid		
3	for airports (ARRA)		3,397,000
4	State general fund/general purpose	\$	0
5	Sec. 107. DEPARTMENT OF TREASURY		
6	(1) APPROPRIATION SUMMARY		
7	GROSS APPROPRIATION	\$	52,830,200
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers		0
11	ADJUSTED GROSS APPROPRIATION	\$	52,830,200
12	Federal revenues:		
13	Total federal revenues		0
14	Special revenue funds:		
15	Total local revenues		0
16	Total private revenues		0
17	Total other state restricted revenues		33,130,200
18	State general fund/general purpose	\$	19,700,000
19	(2) TAX PROGRAMS		
20	Tax plan implementation	\$	<u>19,700,000</u>
21	GROSS APPROPRIATION	\$	19,700,000
22	Appropriated from:		
23	State general fund/general purpose	\$	19,700,000
24	(3) REVENUE SHARING		
25	Constitutional state general revenue sharing grants ..	\$	18,792,100
26	Statutory state general revenue sharing grants		<u>14,338,100</u>

1	GROSS APPROPRIATION.....	\$	33,130,200
2	Appropriated from:		
3	Special revenue funds:		
4	Sales tax.....		33,130,200
5	State general fund/general purpose	\$	0

6 PART 2

7 PROVISIONS CONCERNING APPROPRIATIONS

8 **GENERAL SECTIONS**

9 Sec. 201. In accordance with the provisions of section 30 of

10 article IX of the state constitution of 1963, total state spending

11 from state resources in this appropriation act for the fiscal year

12 ending September 30, 2011 is \$142,835,800.00 and state

13 appropriations paid to local units of government are

14 \$78,004,600.00. The itemized statement below identifies

15 appropriations from which spending to local units of government

16 will occur:

17	Medicaid mental health services.....	\$	34,159,700
18	Medicaid adult benefits		
19	waiver (Mental health services).....		3,247,600
20	Medicaid substance abuse services.....		1,080,900
21	Medicaid adult benefits		
22	waiver (Medical health services).....		1,268,600
23	Child care fund.....		5,117,600
24	Constitutional state general revenue sharing grants ..		18,792,100
25	Statutory state general revenue sharing grants		<u>14,338,100</u>

1 TOTAL..... \$ 78,004,600

2 Sec. 202. The appropriations authorized under this act are
3 subject to the management and budget act, 1984 PA 431, MCL 18.1101
4 to 18.1594.

5 Sec. 203. (1) In addition to the funds appropriated in part 1,
6 there is appropriated an amount equal to any additional federal
7 funding awarded to this state through recalculation of formulas and
8 under the redistribution provisions of the American recovery and
9 reinvestment act of 2009, Public Law 111-5.

10 (2) Within 30 days of receiving such an award, a department
11 shall report to the senate and house appropriations subcommittees,
12 senate and house fiscal agencies, state budget director, and the
13 governor on the amount of funds received and the purposes for which
14 they will be spent.

15 Sec. 204. The unexpended funds from appropriations in part 1
16 designated as ARRA funding and any unencumbered or unallotted funds
17 from those appropriations are carried forward into the succeeding
18 fiscal year. The following is in compliance with section 451a(1) of
19 the management and budget act, 1984 PA 431, MCL 18.1451a:

20 (a) The purposes of the projects to be carried forward are to
21 protect and invest in the natural resources, infrastructure, and
22 people of the state of Michigan in accordance with the provisions
23 of the American recovery and reinvestment act of 2009, Public Law
24 111-5.

25 (b) The projects will be accomplished by state employees and
26 by contract.

27 (c) The total estimated cost of all projects is identified in

1 each line-item appropriation.

2 (d) The tentative completion date is September 30, 2013.

3 Sec. 205. (1) In a form and manner determined by the recipient
4 department, local governments and other eligible subrecipients
5 receiving funds through this act shall comply with all requirements
6 corresponding to the receipt of funds, including, but not limited
7 to, any certifications, assurances, and accountability and
8 transparency provisions required in the American recovery and
9 reinvestment act of 2009, Public Law 111-5.

10 (2) Funds appropriated in part 1 may be transferred to
11 subrecipient state departments or agencies in an interdepartmental
12 grant consistent with the requirements of the American recovery and
13 reinvestment act of 2009, Public Law 111-5.

14 **CAPITAL OUTLAY**

15 Sec. 250. The cost to construct the Bay City state police post
16 project, initially authorized for construction in 2008 PA 278, and
17 subsequently adjusted in 2010 PA 27, is hereby increased by
18 \$500,000.00, from \$3,200,000.00 to \$3,700,000.00 (total state
19 building authority share \$3,699,900.00, state general fund share
20 \$100.00).

21 **DEPARTMENT OF CORRECTIONS**

22 Sec. 271. As a condition for expending money appropriated in
23 2010 PA 188, the department of corrections shall give state
24 employees the opportunity to bid on contracts that privatize
25 services that are or were provided by state employees. If the

1 contract is awarded to any state employee, he or she ceases being
2 an employee of the state.

3 **DEPARTMENT OF STATE**

4 Sec. 301. (1) Unexpended and unencumbered amounts of funds
5 remaining in accounts appropriated in section 401 of 2007 PA 142,
6 for implementing the help America vote act of 2002, 42 USC 15301 to
7 15545, for the secretary of state shall be reappropriated for the
8 fiscal year ending September 30, 2011 in an appropriation line item
9 entitled help America vote act.

10 (2) The funds shall remain available for expenditure to
11 implement provisions of the help America vote act of 2002, 42 USC
12 15301 to 15545, section 37 of the Michigan election law, 1954 PA
13 116, MCL 168.37, and other election reforms. Consistent with the
14 help America vote act of 2002, 42 USC 15301 to 15545, the
15 unexpended funds reappropriated into the help America vote act line
16 item are considered work project appropriations and any
17 unencumbered or unallotted funds are carried over into succeeding
18 fiscal years. The following is in compliance with section 451a(1)
19 of the management and budget act, 1984 PA 431, MCL 18.1451a:

20 (a) The purpose of the project is to implement provisions of
21 the help America vote act of 2002, 42 USC 15301 to 15545, section
22 37 of the Michigan election law, 1954 PA 116, MCL 168.37, and other
23 election reforms.

24 (b) These projects will be accomplished by state employees, by
25 contracts with private vendors, or by grants to local units of
26 government.

1 (c) The total estimated cost of these projects is
2 \$7,705,300.00.

3 (d) The tentative completion date for these projects is
4 September 30, 2015.

5 **DEPARTMENT OF STATE POLICE**

6 Sec. 351. (1) The appropriation in part 1 to the disaster
7 contingency fund is made pursuant to section 18 of the emergency
8 management act, 1976 PA 390, MCL 30.418.

9 (2) Up to \$250,000.00 is appropriated out of the disaster
10 contingency fund for disaster assistance related to the state of
11 emergency declared for the disaster in the city of Battle Creek and
12 Calhoun County on May 29, 2011. An expenditure under this
13 subsection shall be made only for purposes specifically authorized
14 under the emergency management act, 1976 PA 390, MCL 30.401 to
15 30.421. The department of state police shall notify the house and
16 senate appropriations subcommittees on state police and the house
17 and senate fiscal agencies immediately upon expenditure of any
18 funds under this subsection.

19 **DEPARTMENT OF TREASURY**

20 Sec. 401. (1) Unexpended and unencumbered amounts of funds
21 remaining in accounts appropriated in part 1 for implementing the
22 changes to the income tax act of 1967, 1967 PA 281, MCL 206.1 to
23 206.713, as amended by 2011 PA 38, shall be carried forward from
24 the fiscal year ending September 30, 2011.

25 (2) The funds shall remain available for expenditure to

1 implement provisions of the corporate income tax and changes to the
2 individual income tax. The unexpended funds are considered work
3 project appropriations and any unencumbered or unallotted funds are
4 carried over into succeeding fiscal years. The following is in
5 compliance with section 451a(1) of the management and budget act,
6 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the project is to implement provisions of
8 the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.713, as
9 amended by 2011 PA 38.

10 (b) These projects will be accomplished by state employees or
11 by contracts with private vendors.

12 (c) The total estimated cost of these projects is
13 \$19,700,000.00.

14 (d) The estimated completion date for these projects is
15 September 30, 2012.

16 **REPEALERS**

17 Enacting section 1. Sections 207, 207a, and 919 of 2010 PA 188
18 are repealed.