

FY 2012-13 SUPPLEMENTAL APPROPRIATIONS
Summary: As Passed by the Senate
Senate Bill 126 (S-1)



HFA Director: Mary Ann Cleary
 Deputy Director: Kyle I. Jen

| Budget Area | Executive* | | Senate | | House | |
|-------------------|------------------|------------|------------------|------------|-------|-------|
| | Gross | GF/GP | Gross | GF/GP | Gross | GF/GP |
| Education | \$0 | \$0 | \$0 | \$0 | | |
| Natural Resources | 747,300 | 0 | 747,300 | 0 | | |
| State | 0 | 0 | 0 | 0 | | |
| Treasury | 0 | 0 | 0 | 0 | | |
| TOTAL | \$747,300 | \$0 | \$747,300 | \$0 | | |

*Reflects State Budget Office supplemental request 2013-9.

OVERVIEW

In a letter dated September 6, the State Budget Office (SBO) submitted FY 2012-13 supplemental requests consisting of an appropriation of \$747,300 in federal revenue in the Natural Resources budget and the extension of multi-year work projects totaling an estimated \$51.2 million in three other budget areas. Pursuant to provisions in the Management and Budget Act, work projects allow unexpended appropriations to carry forward from one year to the next, for up to four years, to be expended for one-time projects.

Senate Bill 126 (S-1), as passed by the Senate, contains all of these requests.

FY 2012-13 Appropriation Items:

DEPARTMENT OF NATURAL RESOURCES

1. Capital Outlay Waterways Boating Program - Port Austin
 Provides \$747,300 in federal funding to help complete phase III of the Port Austin State Harbor West Dock Renovation project. The project includes dredging, utilities, and replacement of docks and piers. Additional federal funding authorization is needed to receive available funding from a recently awarded U.S. Fish and Wildlife Service competitive grant. This additional funding will increase the total authorized cost of the project from \$8.0 million to \$8.7 million. Of this funding, \$6.9 million is state restricted funding from the Michigan State Waterways Fund and \$1.8 million is federal funding. (SBO request 2013-9)

| | <u>Executive</u> | <u>Senate</u> | <u>House</u> |
|--------------|------------------|------------------|--------------|
| Gross | \$747,300 | \$747,300 | |
| Federal | 747,300 | 747,300 | |

FY 2012-13 Boilerplate Items:

DEPARTMENT OF EDUCATION

1. School Improvement Projects - Work Project Authorization
 Reauthorizes work project status for remaining American Recovery and Reinvestment Act (ARRA) funds. Unexpended funds will be considered work project appropriations and will be carried over into the subsequent fiscal year. The project purpose is to provide school districts designated as focus and priority districts under the state's accountability system with grants for school improvement projects in accordance with federal law. Due to ARRA limits placed on allowable expenditures and the delay of the rollout of federal funds, districts were unable to spend all of the \$115.0 million award within the allowable three-year period, so the US Department of Education (USED) granted the state a one-year extension. The remaining funds available are estimated at \$35.0 million and must be used by September 30, 2014, per the USED extension date. (SBO request 2013-9)

| | <u>Executive</u> | <u>Senate</u> | <u>House</u> |
|--|------------------|---------------|--------------|
| | Included | Sec. 301 | |

FY 2012-13 Boilerplate Items:

Executive

Senate

House

DEPARTMENT OF STATE

2. Help America Vote Act - Work Project Authorization

Included

Sec. 401

Reauthorizes work project status for implementation of Michigan's state plan under the federal Help America Vote Act of 2002 (HAVA). Beginning in FY 2002-03, the DOS has expended approximately \$79.0 million in HAVA funds to replace outdated voting equipment throughout local units of government with optical scan voting equipment, educate voters and train election workers regarding optical scan voting equipment, service and maintain purchased optical scan voting equipment, in addition to enhancing the statewide Qualified Voter File IT system and implementing further initiatives intended to improve the efficiency, accuracy, and convenience of Michigan's elections system. Federal HAVA funds and state GF/GP match were previously designated by 2005 PA 109 and 2009 PA 140 as work project appropriations. This supplemental request redesignates \$16.0 million in HAVA funds (including \$813,000 in state GF/GP match) as a work project appropriation. DOS intends to expend the bulk of these remaining HAVA funds for extended service and continued maintenance, provided under contract with two private vendors (Dominion Voting Systems, Inc. and Election Systems & Software Inc.), of previously purchased optical scan voting equipment and systems acquired by local units of government. Allows unexpended funds to be carried forward into the subsequent fiscal year. Estimated completion date is September 30, 2017. (SBO request 2013-9)

DEPARTMENT OF TREASURY - MICHIGAN STRATEGIC FUND

3. Michigan Energy Office - Work Project Authorization

Included

Sec. 501

Reauthorizes work project status for \$163,000 of expiring work project appropriation in 2009 PA 122 for the Michigan Energy Office. Original appropriation totaled \$1.1 million in ARRA work project funding which allowed the Michigan Energy Office to revise the state's oil, gas, and electricity energy assurance plans. Reauthorization of work project status for the \$163,000 allows the Michigan Energy Office to complete the federal close-out process for the original \$1.1 million ARRA grant. The federal close-out process includes making final payments to grantees, doing final staff cost allocations, paying outstanding expenses, and filing final reports with the federal government. Allows unexpended funds to be carried forward into the subsequent fiscal year. Estimated completion date is September 30, 2014. (SBO request 2013-9)