



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 376 (Substitute S-1 as passed by the Senate)
Sponsor: Senator Jim Stamas
Committee: Appropriations

Date Completed: 12-5-19

CONTENT

The supplemental would provide appropriations for fiscal year (FY) 2019-20 for various State budget areas. These items include items included in Governor Whitmer's original FY 2019-20 budget that were not part of the enacted budget, items that would provide partial or full restoration of items vetoed by Governor Whitmer on September 30, 2019, items that would provide partial or full restoration of funding transferred out by the State Administrative Board in its October 1, 2019, meeting, and other priorities. The supplemental includes line item appropriations of \$459.3 million Gross and \$256.7 million General Fund/General Purpose (GF/GP). Table 1 summarizes the appropriations in the supplemental.

Table 1

| FY 2019-20 Supplemental Appropriations | | | | |
|---|----------------------|----------------------|------------------------------------|----------------------|
| Budget Area | Gross | Federal | State Restricted/ Other | GF/GP |
| Agriculture and Rural Dev. | \$3,479,900 | \$0 | \$0 | \$3,479,900 |
| Corrections | 30,952,500 | 0 | (14,100,000) | 45,052,500 |
| Env, Gt Lakes, & Energy | 15,000,000 | 0 | 0 | 15,000,000 |
| Health and Human Svcs | 301,472,100 | 177,055,300 | 9,285,800 | 115,131,000 |
| Insur. & Financial Svcs | 3,248,000 | 0 | 3,248,000 | 0 |
| Judiciary | 400,000 | 0 | 0 | 400,000 |
| Labor & Econ. Opp. | 5,999,900 | 0 | 0 | 5,999,900 |
| Licensing & Reg. Affairs | 600,000 | 0 | 0 | 600,000 |
| Military & Vets Affairs | 4,000,000 | 0 | 0 | 4,000,000 |
| State Police | 13,728,800 | 0 | 11,728,800 | 2,000,000 |
| Tech, Man., & Budget | 43,093,700 | 0 | 0 | 43,093,700 |
| Transportation | 10,000,000 | 0 | 10,000,000 | 0 |
| Treasury | 27,351,600 | 0 | 5,360,400 | 21,991,200 |
| TOTAL | \$459,326,500 | \$177,055,300 | \$25,523,000 | \$256,748,200 |

FISCAL IMPACT

The bill provides line-item appropriations of \$459.3 million Gross and \$256.7 million GF/GP. Of the proposed appropriations, \$176.8 million Gross and \$98.0 million GF/GP represent full or partial restorations of items vetoed by Governor Whitmer on September 30, 2019. A total of \$25.7 million Gross and \$12.7 million GF/GP represent full or partial restorations of funding shifted out of programs by the State Administrative Board on October 1, 2019. A total of \$236.2 million Gross and \$105.7 million GF/GP represent full or partial funding for items in

the Governor's original recommendation for FY 2019-20 that were not included in the implemented FY 2019-20 budget. [Table 2](#) summarizes the details of the appropriations in the supplemental.

FY 2019-20 BOILERPLATE LANGUAGE SECTIONS-PART 2

Sec. 201. General. Records amount of total State spending and payments to local units of government.

Sec. 202. General. Subjects appropriations and expenditures in the article to the provisions of the Management and Budget Act.

Sec. 301. Agriculture and Rural Development. Directs that environmental stewardship funding be used to agriculture pollution prevention programs and implementation of conservation grants.

Sec. 302. Agriculture and Rural Development. Directs that farm stress funding be used to respond to mental stress and fatigue of Michigan farmers and agricultural producers and their families.

Sec. 351. Corrections. Reinstates long-standing vetoed county jail reimbursement language governing the distribution of funds.

Sec. 401. Environment, Great Lakes, and Energy. Directs that of the \$15.0 million appropriated for PFAS and emerging contaminants, at least \$4.0 million be allocated for a grant program to municipal airports for costs of monitoring and testing of wells. Requires a report to the Legislature by April 1, 2020.

Sec. 451. Health and Human Services. Revises vetoed language on Child Care Fund indirect cost allotment, allocating \$3.5 million to counties and tribal governments that receive reimbursements from the Child Care Fund. Directs that funding be distributed on a proportional basis

Sec. 452. Health and Human Services. Allocates \$2.0 million from the Foster Care Payments line to the West Michigan Partnership for Children to support administrative costs of the prospective payment system established in Kent County.

Sec. 453. Health and Human Services. Reinstates vetoed language allocating \$600,000 in GF/GP for grants to high schools for students recovering from a substance use disorder. Limits funding to a maximum of \$150,000 per high school.

Sec. 454. Health and Human Services. Reinstates vetoed language allocating \$600,000 in GF/GP to create a competitive grant for recovery community organizations for long-term recovery from substance use disorders. Limits grants to a maximum of \$150,000 per organization and sets priorities for allocating those grants.

Sec. 455. Health and Human Services. Reinstates vetoed language allocating \$500,000 to support a detoxification pilot project at St. Mary's hospital in Livonia.

Sec. 456. Health and Human Services. Reinstates vetoed language allocating \$675,000 to primary care clinics on Beaver, Bois Blanc, Drummond, and Mackinac Islands.

Sec. 457. Health and Human Services. Reinstates vetoed language providing \$5.1 million GF/GP plus Restricted and Federal Medicaid match dollars to increase Medicaid payments to critical access hospitals.

Sec. 458. Health and Human Services. Reinstates vetoed language increasing Medicaid payment rates for pediatric psychiatric services to at least 100.0% of Medicare rates.

Sec. 459. Health and Human Services. Reinstates vetoed language increasing Medicaid payment rates for neonatology services to 95.0% of Medicare rates.

Sec. 460. Health and Human Services. Reinstates vetoed language allocating \$8.0 million GF/GP funding for lump sum payments to noncritical access rural hospitals that provide obstetrical care.

Sec. 461. Health and Human Services. Reinstates vetoed language allocating \$13.9 million GF/GP funding to noncritical access rural hospitals.

Sec. 462. Health and Human Services. Reinstates vetoed language allocating \$3.75 million GF/GP, up to \$5.0 million in contributions from public entities, and any Federal Medicaid match to support the MiDocs primary care residency consortium.

Sec. 463. Health and Human Services. Reinstates vetoed language allocating \$1,025,000 to support autism navigators with metrics for allocation and an annual report.

Sec. 464. Health and Human Services. Reinstates vetoed language allocating \$100,000 to support an autism train the trainer pilot in the Walled Lake School District.

Sec. 465. Health and Human Services. Allocates \$300,000 to the Leaders Advancing and Helping Communities organization in Detroit. This funding had been removed through a State Administrative Board transfer on October 1, 2019.

Sec. 466. Health and Human Services. Reinstates vetoed language allocating \$750,000 to support the Andy's Angels substance use disorder program in Jackson County.

Sec. 467. Health and Human Services. Reinstates vetoed language allocating \$40,000 to Michigan State University to support an opioid response consortium in northern Michigan known as Project ECHO.

Sec. 468. Health and Human Services. Reinstates vetoed language allocating \$500,000 to support health-related senior programs at multipurpose senior citizen centers, with a maximum grant of \$5,000 per program.

Sec. 469. Health and Human Services. Reinstates vetoed language allocating \$400,000 to support a dementia care and support program in Allegan, Kent, Lenawee, Macomb, Midland, Monroe, Oakland, St. Clair, St. Joseph, and Wayne Counties with a report to the Legislature on the status of the program and various metrics due by March 1, 2020.

Sec. 470. Health and Human Services. Allocates \$250,000 to support the functions of the suicide prevention commission and designates funding as a work project.

Sec. 501. Judiciary. Reinstates vetoed language, at a higher dollar amount (\$400,000), for a veterans problem solving court in Eaton County.

Sec. 551. Labor and Economic Opportunity. Makes allocations from the Michigan Grants line item: (1) \$1.0 million to Focus: HOPE in Detroit, (2) \$500,000 for upgrades at Alpena Community College, (3) \$250,000 to help repair the seawall in the city of Belleville, and (4) \$250,000 to support a community corrections program in Saginaw County.

Sec. 552. Labor and Economic Opportunity. Allocates \$250,000 for blight elimination projects in rural counties with no individual grant exceeding \$50,000.

Sec. 601. Military and Veterans Affairs. Reinstates vetoed language depositing \$4.0 million in the County Veteran Service Fund.

Sec. 651. State Police. Reinstates vetoed language governing secondary road patrol grants with long-standing language on reporting data and the use of the funding.

Sec. 701. Technology, Management, and Budget. Allocates \$2.0 million to support implementation of the Proposal 2 redistricting commission.

Table 2

| FY 2019-20 Supplemental Appropriations | | |
|--|---------------------|---------------------|
| Department/Program | Gross | GF/GP |
| Agriculture and Rural Development | | |
| Pesticide/plant mgt (offset all but \$200,000 of transfer)..... | \$1,300,000 | \$1,300,000 |
| Animal disease (offset all but \$382,600 of transfer)..... | 400,000 | 400,000 |
| Emergency mgt (offset all but \$17,400 of transfer) | 182,600 | 182,600 |
| Environmental stew. (offset all but \$220,000 of transfer) | 300,000 | 300,000 |
| Qualified forest program (offset all but \$200,000 of transfer)... | 797,300 | 797,300 |
| Farm Stress Program (veto restoration) | <u>500,000</u> | <u>500,000</u> |
| Total Agriculture and Rural Development..... | \$3,479,900 | \$3,479,900 |
| Corrections | | |
| County jail reimbursement (veto restoration)..... | \$14,814,600 | \$8,914,600 |
| New custody staff funded at Governor's Rec | 10,466,800 | 10,466,800 |
| Tether replacement funded at Governor's Rec..... | 4,567,100 | 4,567,100 |
| Corizon contract funded nearly at Governor's Rec..... | 2,723,300 | 2,723,300 |
| Restore lapse savings for unclassified | 200,000 | 200,000 |
| Restore admin efficiencies savings: budget/operations..... | 1,780,700 | 1,780,700 |
| Restore lapse savings for comm. corrections comp. | 400,000 | 400,000 |
| Restore lapse savings: Transportation..... | 200,000 | 200,000 |
| Partially back out special equipment fund swap | 0 | 20,000,000 |
| Recognize lapse in Hepatitis C line..... | (2,700,000) | (2,700,000) |
| Recognize lapse in Lake County residential | (500,000) | (500,000) |
| Recognize lapse in residential probation diversion | <u>(1,000,000)</u> | <u>(1,000,000)</u> |
| Total Corrections | \$30,952,500 | \$45,052,500 |
| Environment, Great Lakes, and Energy | | |
| PFAS/emerging contaminants (airport) (veto restoration) | <u>\$15,000,000</u> | <u>\$15,000,000</u> |
| Total Environment, Great Lakes, and Energy | \$15,000,000 | \$15,000,000 |
| Health and Human Services | | |
| Restore critical access hospitals (veto restoration)..... | \$34,265,100 | \$5,099,100 |
| Restore autism navigator (veto restoration)..... | 1,025,000 | 1,025,000 |
| Restore autism train the trainer (veto restoration)..... | 100,000 | 100,000 |
| Restore Project ECHO funding (veto restoration) | 40,000 | 40,000 |
| Restore senior center grants (veto restoration) | 500,000 | 500,000 |

Table 2

| FY 2019-20 Supplemental Appropriations | | |
|--|----------------------|----------------------|
| Department/Program | Gross | GF/GP |
| St. Mary's substance use disorder (veto restoration)..... | 500,000 | 500,000 |
| Hospital rural OB pool (veto restoration) | 7,995,200 | 7,995,200 |
| Hospital rural/sole community pool (veto restoration) | 16,625,400 | 13,904,800 |
| Island clinics (veto restoration) | 675,000 | 675,000 |
| Child care fund indirect costs (partial veto restoration) | 3,500,000 | 3,500,000 |
| Andy's Angels program (veto restoration)..... | 750,000 | 750,000 |
| Alzheimer's pilot (dementia support) (veto restoration)..... | 400,000 | 400,000 |
| Recovery high school funding (veto restoration)..... | 600,000 | 600,000 |
| Recovery community org. funding (veto restoration) | 600,000 | 600,000 |
| Restoration of MiDOCs (veto restoration) | 17,500,000 | 3,750,000 |
| Medicaid pediatric psych rate increase (veto restoration)..... | 10,743,600 | 3,861,300 |
| Medicaid neonatologist rate increase (veto restoration)..... | 5,217,000 | 1,875,000 |
| Positive/negative \$2M for West Mich partnership..... | 0 | 0 |
| Leaders advancing/helping communities (reverse Ad Board).. | 300,000 | 300,000 |
| Suicide prevention commission | 250,000 | 250,000 |
| Restoration of multicultural (reverse Ad Board) | 8,084,600 | 8,084,600 |
| Fund lead and copper rule | 4,500,000 | 4,500,000 |
| Funding for HMP work requirement implementation | 3,900,000 | 3,900,000 |
| Supportive visitation funded at Governor's Rec | 2,901,200 | 2,901,200 |
| Fund ACA insurer fee at Governor's Rec | <u>180,500,000</u> | <u>50,019,800</u> |
| Total Health and Human Services | \$301,472,100 | \$115,131,000 |
| Insurance and Financial Services | | |
| No-fault administration (insurance bureau fund, 16.0 FTEs) | <u>\$3,248,000</u> | <u>\$0</u> |
| Total Insurance and Financial Services | \$3,248,000 | \$0 |
| Judiciary | | |
| Funding for problem solving courts (veto restoration) | <u>\$400,000</u> | <u>\$400,000</u> |
| Total Insurance and Financial Services | \$400,000 | \$400,000 |
| Labor and Economic Opportunity | | |
| Blight removal funding..... | \$250,000 | \$250,000 |
| At-risk youth grants (reverse Ad Board)..... | 3,749,900 | 3,749,900 |
| Focus: HOPE funding (MI enhancement grant) | 1,000,000 | 1,000,000 |
| Repair Belleville seawall (MI enhancement grant)..... | 250,000 | 250,000 |
| Saginaw county comm. corrections (MI enhancement grant) ... | 250,000 | 250,000 |
| Alpena Community College project (MI enhancement grant) .. | <u>500,000</u> | <u>500,000</u> |
| Total Labor and Economic Opportunity..... | \$5,999,900 | \$5,999,900 |
| Licensing and Regulatory Affairs | | |
| Urban search and rescue (reverse Ad Board) | <u>\$600,000</u> | <u>\$600,000</u> |
| Total Licensing and Regulatory Affairs | \$600,000 | \$600,000 |
| Military and Veterans Affairs | | |
| Restore county veteran service fund (veto restoration) | <u>\$4,000,000</u> | <u>\$4,000,000</u> |
| Total Military and Veterans Affairs | \$4,000,000 | \$4,000,000 |
| State Police | | |
| Restore secondary road patrol (veto restoration, 1.0 FTE) | \$13,074,300 | \$2,000,000 |
| Restore training grants (veto restoration)..... | <u>\$654,500</u> | <u>\$0</u> |
| Total State Police | \$13,728,800 | \$2,000,000 |

| | | |
|--|----------------------|----------------------|
| Technology, Management, and Budget | | |
| Proposal 2 implementation | \$2,000,000 | \$2,000,000 |
| Fund IT investment fund at Governor's Rec | 15,000,000 | 15,000,000 |
| Fund MI public safety commun. at near Gov's Rec | 7,993,700 | 7,993,700 |
| Fund enterprise spec. maintenance at Governor's Rec..... | 8,100,000 | 8,100,000 |
| Funding for 2020 census | <u>10,000,000</u> | <u>10,000,000</u> |
| Total Technology, Management, and Budget | \$43,093,700 | \$43,093,700 |
| Transportation | | |
| Reduce service initiatives (partially reverse Ad Board) | (\$3,000,000) | \$0 |
| Restore Transit Capital urban (reverse Ad Board) | <u>13,000,000</u> | <u>0</u> |
| Total Transportation..... | \$10,000,000 | \$0 |
| Treasury | | |
| Restoration of commercial forest PILT (veto restoration) | \$3,368,100 | \$3,368,100 |
| Restoration of swamp/reverted PILT (veto restoration) | 15,305,600 | 15,305,600 |
| Restoration of purchased lands PILT (veto restoration) | <u>8,677,900</u> | <u>3,317,500</u> |
| Total Treasury | \$27,351,600 | \$21,991,200 |
| Total FY 2019-20 Supplemental Appropriations | \$459,326,500 | \$256,748,200 |

Fiscal Analyst: Steve Angelotti

SAS\floor\sb376

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.