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Senate Bill 85 (S-4 as reported)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE*	FY 2021-22 SEN. FULL COMM.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	2,545.4	2,514.4	(31.0)	(1.2)
GROSS	1,684,364,300	1,666,926,800	(17,437,500)	(1.0)
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	1,684,364,300	1,666,926,800	(17,437,500)	(1.0)
Less:				
Federal Funds	1,138,389,800	1,140,844,800	2,455,000	0.2
Local and Private.....	22,217,800	22,167,000	(50,800)	(0.2)
TOTAL STATE SPENDING	523,756,700	503,915,000	(19,841,700)	(3.8)
Less:				
Other State Restricted Funds.....	272,389,100	274,841,300	2,452,200	0.9
GENERAL FUND/GENERAL PURPOSE	251,367,600	229,073,700	(22,293,900)	(8.9)
PAYMENTS TO LOCALS	39,115,200	51,944,500	12,829,300	32.8

*As of February 8, 2021.

	Gross	GF/GP
FY 2020-21 Year-to-Date Appropriation	\$1,684,364,300	\$251,367,600

Changes from FY 2020-21 Year-to-Date:

- | | |
|---|-------------------------------------|
| <p>1. Michigan Reconnect Grant Program. The Governor included 8.0 FTE positions and \$120.0 million General Fund/General Purpose (GF/GP) in one-time appropriations to the Michigan Reconnect Grant Program to continue funding for the program through FY 2022-23.</p> <p>The Senate maintained current funding at \$30.0 million Gross and Talent Investment Funds.</p> | <p>0</p> <p>0</p> |
| <p>2. Governor Recommendations. The Governor included \$39.1 million GF/GP for Futures for Frontliners, \$25.0 million GF/GP for the Mobility Futures Initiative, \$10.0 million GF/GP for Housing and Community Development, \$6.0 million for wraparound services, \$3.0 million for a statewide pre-apprenticeship program, \$2.0 million for a child savings accounts pilot program, \$1.0 million for the Michigan Poverty Taskforce, and \$1.0 million for Focus: Hope.</p> <p>The Senate did not include these recommendations.</p> | <p>0</p> <p>0</p> |
| <p>3. Flint Settlement Debt Service. The Governor/Senate included \$35.0 million GF/GP for ongoing debt service payments for the Flint Settlement Bond.</p> | <p>35,000,000</p> <p>35,000,000</p> |
| <p>4. Pure Michigan. The Senate included \$15.0 million GF/GP for Pure Michigan. This would bring total FY 2021-22 Pure Michigan appropriations to \$40.0 million Gross and \$30.0 million GF/GP.</p> | <p>15,000,000</p> <p>15,000,000</p> |

<p>5. Going Pro. The Governor included \$15.0 million GF/GP in one-time appropriations for Going Pro in addition to the ongoing appropriations. The Senate included \$11,329,300 GF/GP in ongoing appropriations, which would bring the total FY 2021-22 Going Pro appropriations to \$40.0 million Gross and \$30,459,200 GF/GP.</p>	<p>11,329,300</p>	<p>11,329,300</p>
<p>6. Workforce Development Programs. The Governor/Senate included an increase of \$13,075,000 in Federal funds in Workforce Development Programs because of anticipated increases for the Michigan Learning and Education Advancement Program (\$5,950,000), Gaining Early Awareness and Readiness for Undergraduate Program (\$4,000,000), and H-1B workforce development grants (\$3,125,000).</p>	<p>13,075,000</p>	<p>0</p>
<p>7. Michigan Enhancement Grants. The Senate included two additional Michigan Enhancement Grants, which includes \$662,000 for the Center for Employment Opportunity and a \$5.0 million deposit into the Rural Development Fund.</p>	<p>5,662,000</p>	<p>5,662,000</p>
<p>8. Child Care Facilitator Pilot Program. The Governor included \$2.2 million GF/GP in one-time appropriations to continue a pilot program to increase access to high quality child care for workers in collaboration with business partners. The Senate included this project at \$2.5 million GF/GP in Michigan Enhancement Grants.</p>	<p>2,500,000</p>	<p>2,500,000</p>
<p>9. State Historic Preservation Office. The Governor/Senate included \$2.1 million Gross (\$1.9 million Federal revenue for Federal National Park Service Grants and \$200,000 in State Historic Preservation Office fees) for the historic tax credit program created in Public Act 343 of 2020.</p>	<p>2,100,000</p>	<p>0</p>
<p>10. Technical Adjustment. The Governor/Senate included \$1,719,00 Gross and \$78,100 GF/GP in technical adjustments to various line items.</p>	<p>1,719,000</p>	<p>78,100</p>
<p>11. Brownfield Redevelopment Fund. The Governor/Senate included \$1,175,000 in Brownfield Redevelopment Funds to support community redevelopment projects authorized in Public Act 502 of 2012.</p>	<p>1,175,000</p>	<p>0</p>
<p>12. Michigan Women's Commission. The Governor/Senate transferred the Michigan Women's Commission (\$366,800 GF/GP and 1.0 FTE position) from the Department of Civil Rights to the Department.</p>	<p>366,800</p>	<p>366,800</p>
<p>13. Arts and Cultural Grants. The Senate included \$1.5 million for Arts and Cultural Grants. This would bring total FY 2021-22 appropriations to \$11.0 million Gross and \$9,985,000 GF/GP.</p>	<p>1,500,000</p>	<p>1,500,000</p>
<p>14. Jobs for Michigan Graduates. The Senate included \$1.25 million in matching grants for the Jobs for Michigan Graduates program. This would bring total FY 2021-22 appropriations to \$5.0 million Gross and GF/GP.</p>	<p>1,250,000</p>	<p>1,250,000</p>
<p>15. One-Time and Supplemental Removal. The Governor/Senate removed \$99,788,800 Gross and \$89,788,800 GF/GP in FY 2020-21 one-time and supplemental appropriations.</p>	<p>(99,788,800)</p>	<p>(89,788,800)</p>
<p>16. Department Reduction. The Senate decreased the number of FTEs and appropriations for the Michigan Occupational safety and Health Administration and the Bureau of Employment Services 20% and decreased Unclassified Salaries 25%.</p>	<p>(8,165,100)</p>	<p>(120,500)</p>
<p>17. Workforce Development Fund Shift. The Senate shifted \$5.0 from GF/GP to Penalties and Interest Revenue in the Workforce Development Programs line item.</p>	<p>0</p>	<p>(5,000,000)</p>

18. Other Changes. The Governor transferred \$1.1 million GF/GP and 7.0 FTE positions from Workforce Development Programs to Executive Direction and increased 500.0 FTE positions in the Unemployment Insurance Agency (UIA). The Senate transferred funding and FTE positions to Executive Direction but did not included the FTE position increase to the UIA. The Senate unrolled the State Historic Preservation Office out of Job Creation Services and Michigan Works! out of Workforce Development Programs. The Senate did not include economic increases to Unclassified Positions and rolled out the UIA Director salary from Unclassified Positions.	0	0
19. Economic Adjustments. Includes an adjustment of negative \$2,255,800 Gross and \$191,300 GF/GP for total economic adjustments, of which an estimated negative \$8,008,200 Gross and \$873,200 GF/GP is for legacy retirement costs (pension and retiree health).	(2,255,800)	(191,300)
20. Comparison to Governor's Recommendation. The Senate is \$163,250,800 Gross and \$192,069,400 GF/GP under the Governor.		
Total Changes	(\$19,532,600)	(\$22,414,400)
FY 2021-22 Senate Appropriations Committee Recommendation	\$1,664,831,700	\$228,953,200

Boilerplate Changes from FY 2020-21 Year-to-Date:

1. **Deleted Sections.** The Governor/Senate deleted two sections: Sec. 1052 (Coronavirus Relief Fund grants) and 1070 (Graduation Alliance).
2. **Retained Sections.** The Governor deleted and Senate retained, a number of sections, which include 206 (employee communication with the Legislature), 216 (quarterly FTE report), 217 (work project prioritization), 218 (State Administrative Board transfers), 219 (retention of reports), 220 (policy change report), 221 (General Fund restrictions), 222 (work project notification), 983 (MSF/MSHDA restriction on appropriations for broadband), 984 (use of SIGMA), 989 (worker's compensation legislative intent language), 990 (Michigan State Housing development Report), 1004 (Michigan Strategic Fund statutory report), 1006 (Business Attraction amendment report), 1009 (limits on land purchases), 1013 (private fundraising restriction), 1033 (Michigan Film Office activity report), 1041 (Business Attraction and Community Revitalization transfers), 1047 (Michigan enhancement grants), 1048 (administration of Michigan Enhancement Grants), 1067 (Going Pro Talent Fund), 1069 (Healthy Michigan quarterly report), 1071 (Jobs for Michigan Graduates program), 1072 (High School Equivalency-to-School program), 1074 (Michigan Reconnect Grant Program), 1079 (TANF requirements), 1082 (Michigan Rehabilitation Services report), 1085 (Federal match requirement for community-based rehabilitation organizations), and 1091 (Commission expenditure requirements).
3. **UIA Director Salary. (NEW)** The Senate included language that restricts all appropriations from being used for the salary or compensation of the UIA Director except for the funds appropriated in the UIA Director line item. (Sec. 203a)
4. **Contingency Fund.** The Governor doubled the contingency fund amounts for each fund source. The Senate deleted the section. (Sec. 210)
5. **Pure Michigan Study. (NEW)** The Senate included a new study for Pure Michigan to identify potential funding mechanisms to augment or reduce the amount of general fund expenditures for Pure Michigan. (Sec. 1003)
6. **Arts and Cultural Program.** The Governor removed the restriction on Arts and Cultural Program appropriations from being used for administration of the program. The Senate maintained current language. (Sec. 1035)
7. **Equipment and Facility Upgrade Grant Program. (NEW)** The Senate created a new Business Attraction and Community Development grant program to provide equipment and facility upgrade grants to Michigan businesses to continue operations. The program must use the amount of time the business has been in operation in Michigan as one of the factors to determine grant awards. (Sec. 1040)
8. **Rural Small Business Development Center Grant. (NEW)** The Senate included new language to use \$200,000 from Business Attraction and Community Revitalization for rural Small Business Development Centers. (Sec. 1046)

9. **Michigan Enhancement Grants.** The Senate included three Michigan Enhancement Grants: a continuation of a Child Care Pilot Program (\$2.5 million), the Center for Employment Opportunity (\$662,000), and a deposit into the Rural Jobs and Investment Fund (\$5.0 million). (Sec. 1047)
10. **Good Jobs for Michigan Fund.** The Governor/Senate included a new section that requires that the funds in the Good Jobs for Michigan Fund be distributed and used in accordance with statute. (Sec. 1053)
11. **Helmets to Hardhats.** The Governor included a \$250,000 grant from Going Pro appropriations to the Helmets to Hardhats organization. The Senate did not include. (Sec. 1066)
12. **Going Pro Equipment Upgrades.** The Senate allowed up to \$4.0 million from Going Pro appropriations to be used for matching grants for equipment upgrades. (Sec. 1066)
13. **Jobs for Michigan Graduate.** The Senate allowed up to an additional \$1,250,000 in At-risk Youth Grants to be used for matching private contributions to the Jobs for Michigan Graduate program. (Sec. 1071)
14. **Statewide Pre-Apprenticeship Program.** The Governor included a new section that appropriates \$3.0 million in ongoing appropriations to an organization that will administer a statewide pre-apprenticeship program. The Senate did not include. (Sec. 1073)
15. **UIA Reports.** The Governor/Senate modified the UIA reports from monthly to quarterly. The Senate included that the report must be submitted within 15 days at the end of each quarter. (Secs. 1075 and 1076)
16. **UIA Receive and Expend Authorization.** The Governor included a new section that allows the expenditure of Federal funds received by the UIA that are in excess of the amounts appropriated in part 1 after notification to the State Budget Director and subcommittees. The Senate did not include. (Sec. 1077)
17. **Vocational Rehabilitation Appropriations.** The Governor removed the \$50,000 appropriation for vocational rehabilitation services for agricultural workers and modified "shall" to "may." The Senate maintained current language. (Sec. 1083)
18. **West Michigan Community Center.** The Senate included a \$500,000 grant from the Office of Global Michigan to develop an immigrant and refugee resource community center in West Michigan. (Sec. 1093)
19. **One-Time Appropriations.** The Governor included a number of new sections that include One-Time Appropriations, which include 1093 (\$10.0 million for the Michigan Housing and Community Development program), 1094 (\$1.0 million for Focus: HOPE), 1095 (\$2.2 million for the Child Care Facilitator Pilot Project), 1096 (\$25.0 million for the Mobility Futures Initiative), 1097 (\$6.0 million for Wraparound Services), 1098 (\$2.0 million for the Child Savings Accounts pilot project), 1099 (\$1.0 million for the Poverty Task Force), 1100 (\$120.0 million for the Michigan Reconnect Grant Program), 1101 (\$39.1 million for the Futures for Frontliners program). The Senate did not include.
20. **Modified Boilerplate.** The Senate modified a number of sections to connect boilerplate sections to part 1 appropriations. (Secs. 204, 206, 211, 212, 213, 217, 220, 1033, 1060, 1062, 1076, 1079, 1082, and 1090)
21. **Technical Changes.** The Governor made a number of technical modifications that include date changes, changes in Part 1 appropriations, legacy cost adjustments, standardization of language, and separating the Department from the General Government budget. (Secs. 201, 203, 211, 212, 213, 214, 1034, 1048, 1050, 1065, 1068, 1072, and 1081)

Date Completed: 5-5-21

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.