

**FY 2007-08 AND FY 2008-09
SUPPLEMENTAL APPROPRIATIONS
Enrolled Senate Bill 1111**



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OVERVIEW

As passed by the Senate, Senate Bill 1111 (S-4) contained all pending supplemental requests received from the State Budget Office (SBO) for FY 2007-08.

As passed by the House, Senate Bill 1111 (H-3) was a multi-year supplemental appropriations bill, containing all pending supplemental requests received from the SBO for both FY 2007-08 and FY 2008-09, as well as additional legislative priorities for both fiscal years. Included in those priorities were:

- A placeholder of \$100 GF/GP for a FY 2007-08 Capital Outlay planning authorization for a State Police Post in Battle Creek.
- Foster Care-related adjustments in the Human Services budget, including a net appropriation increase of \$10.8 million GF/GP, for both FY 2007-08 and FY 2008-09.
- Boilerplate language that would have appropriated up to \$47.4 million GF/GP for various purposes in FY 2007-08, contingent on the existence of unreserved balances of at least \$190.0 million GF/GP and \$68.7 million School Aid Fund at the close of FY 2007-08 (see **Table 3**).

The enrolled version of Senate Bill 1111 is also a multi-year supplemental appropriations bill, containing all SBO-requested supplemental items for FY 2007-08 and a portion of the SBO-requested items for FY 2008-09. The enrolled bill does not include any of the additional legislative priorities contained in the House-passed version of the bill.

Below are brief summaries of the supplemental items contained in the enrolled bill for FY 2007-08 and FY 2008-09. Attached tables provide more details on the appropriation and boilerplate items contained in each version of the bill.

FY 2007-08

Senate Bill 1111 contains a total net Gross appropriation of negative \$50.2 million and a total net GF/GP appropriation of positive \$83.3 million for FY 2007-08. **Table 1** shows FY 2007-08 appropriation items in the bill by budget area. All appropriation items in the enrolled version of the bill reflect SBO requests.

Major SBO-requested adjustments included consensus and fund source adjustments (replacing unavailable Merit Award and Medicaid Benefits Trust Fund revenue with GF/GP revenue) for the Medicaid program in the Community Health budget and fund source shifts in the Higher Education and Human Services budgets for the purpose of drawing down an available increase in federal TANF funding.

Additionally, a boilerplate appropriation of \$21.5 million GF/GP was recommended for the Department of Management and Budget for a federally-required reimbursement to the State Sponsored Group Insurance Fund; the appropriation is to be funded from associated state employee health care rate reductions (see section 251). The enrolled version of the bill includes both a line item appropriation and modified boilerplate language for this item.

Table 2 shows all FY 2007-08 boilerplate sections included in the bill.

FY 2008-09

Senate Bill 1111 contains a total Gross appropriation of \$10.2 million, which consists of restricted funds appropriated in the Agriculture budget. **Table 4** shows FY 2008-09 appropriation items in the bill by budget area, and **Table 5** shows FY 2008-09 boilerplate sections included in the bill. Several pending SBO requests were not included in the enrolled version of this bill.

Table 1
FY 2007-08 Supplemental Appropriations: SB 1111

<u>Budget Area/Appropriation Item</u>	<u>Executive</u>		<u>Senate</u>		<u>House</u>		<u>Enrolled</u>	
	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>
Agriculture								
Pseudorabies Outbreak	\$415,000	\$415,000	\$415,000	\$415,000	\$200,000	\$200,000	\$415,100	\$415,100
Capital Outlay								
Battle Creek State Police Post planning authorization	--	--	--	--	100	100	--	--
Community Colleges								
Renaissance Zone Tax Reimbursement Funding	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Community Health								
Medicaid Consensus Adjustments	(82,986,000)	(26,944,000)	(82,986,000)	(26,944,000)	(82,986,000)	(26,944,000)	(82,986,000)	(26,944,000)
Medicaid Fund Source Adjustments	0	83,300,000	0	83,300,000	0	83,300,000	0	83,300,000
Environmental Quality								
Water Withdrawal Legislation	250,000	0	250,000	0	250,000	0	250,000	0
Higher Education								
Financial Aid Fund Shifts (replace GF/MATF with TANF)	0	(91,948,600)	0	(91,948,600)	0	(91,948,600)	0	(91,948,600)
Human Services								
TANF Program Fund Shifts (replace TANF with GF/MATF)	0	91,948,600	0	91,948,600	0	91,948,600	0	91,948,600
Community Services Block Grant fund shift (\$300,000)	0	0	0	0	0	0	0	0
Foster Care/Private Agency Rate Increase	--	--	--	--	17,601,000	10,759,600	--	--
Foster Care Case Shift	--	--	--	--	750,000	0	--	--
Management and Budget								
Detroit Zoo Transitional Funding	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Military and Veterans Affairs								
Starbase Grant	1,045,700	0	1,045,700	0	1,045,700	0	1,045,700	0
State								
Real ID Act	2,495,000	0	2,495,000	0	2,495,000	0	2,495,000	0
State Police								
Hart Post Acquisition and Relocation	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Transportation								
Transportation Economic Development Fund: Shift \$6.5M	--	--	--	--	0	0	--	--
Treasury								
College Access Challenge Grant Program	2,100,000	0	2,100,000	0	2,100,000	0	2,100,000	0
SUBTOTAL: Excluding health care fund reimbursement	(\$71,720,300)	\$61,731,000	(\$71,720,300)	\$61,731,000	(\$53,584,200)	\$72,275,700	(\$71,720,200)	\$61,731,100
Management and Budget								
Federally-required health care fund reimbursement*	--	--	21,542,800	21,542,800	--	--	21,542,800	21,542,800
TOTAL	(\$71,720,300)	\$61,731,000	(\$50,177,500)	\$83,273,800	(\$53,584,200)	\$72,275,700	(\$50,177,400)	\$83,273,900

*Executive and House included as boilerplate appropriation only; Senate and Enrolled bill include line item appropriation. The appropriation is to be funded from associated state employee health care rate reductions.

Table 2
FY 2007-08 Boilerplate Sections: SB 1111

Budget Area/Boilerplate Item

General Sections

Provides for GF/GP appropriations of up to \$47.4 million based on year-end balances (see **Table 3**)

Human Services

Designates \$300,000 for Newberry Community Action Agency
 Increases private placing agency administrative rate to \$37/day

Labor and Economic Growth

States intent that workforce training funds be allocated to Michigan Energy Trades Institute

Management and Budget

Appropriates up to \$21.5 million GF/GP to reimburse State Sponsored Group Insurance Fund (revised to reflect inclusion of appropriation in line item section of bill)

State

Designates unexpended appropriations for REAL ID act as multi-year work project (revised to specify that funds be expended in manner required by Michigan Vehicle Code)

Treasury

Recognizes previous appropriation of \$50.0 million for Michigan Promotion Program
 Designates unexpended appropriations for College Access Grant as multi-year work project

Executive	Senate	House	Enrolled
--	--	Sec. 203	--
Included	Sec. 251	Sec. 221	Sec. 221
--	--	Sec. 222	--
--	--	Sec. 241	--
Included	Sec. 301 (Revised)	Sec. 251	Sec. 251 (Revised)
Included	Sec. 401	Sec. 351 (Revised)	Sec. 351 (Revised)
--	--	Sec. 501	--
Included	Sec. 501	Sec. 502	Sec. 502

Table 3
FY 2007-08 GF/GP Appropriations Contingent on Year-End Balances: SB 1111 (H-3)
House-passed version only; not included in enrolled bill

<u>Budget Area/Appropriation Item</u>	<u>GF/GP Approp</u>
Community Health	
Diabetes and kidney program	\$250,000
Multicultural services	320,000
Education	
Center for advanced studies and the arts	250,000
Conductive learning center	150,000
Cultural access grants	700,000
Pre-college engineering program	400,000
Science, engineering, mathematics, aerospace academy	100,000
Human Services	
Legal support contracts (replace child support fee revenue)	2,734,500
Natural Resources	
Cormorant population control	150,000
State Police	
Grant to Detroit metropolitan airport	175,000
Treasury	
21st century libraries program	5,000,000
Arab American national museum	2,700,000
Bloomfield Township - PGA event	300,000
Charles Wright museum of African-American history	200,000
City of McBain, Missaukee County	3,000,000
Detroit festival of arts/MACK alive	350,000
Detroit historical society	1,900,000
Detroit institute of arts	10,000,000
Detroit river regatta association - Detroit gold cup	200,000
Downtown Detroit partnership - Detroit grand prix	400,000
Edison museum	250,000
Grand Rapids art museum	2,000,000
Grand Rapids public museum	600,000
Henry Ford museum	1,800,000
John Ball zoological museum	600,000
Kalamazoo aerospace museum	800,000
Lansing amphitheatre	1,700,000
Millennium park amphitheatre	2,000,000
Mining museum of Marquette	250,000
Monroe County historical museum	100,000
Motown museum	100,000
Regional intergovernmental centers	4,000,000
Soo locks museum	200,000
Telephone/telegraph reappraisals	750,000
Watervliet Township - brownfield redevelopment centers	3,000,000
TOTAL	\$47,429,500

Table 4
FY 2008-09 Supplemental Appropriations: SB 1111

<u>Budget Area/Appropriation Item</u>	<u>Executive</u>		<u>Senate</u>		<u>House</u>		<u>Enrolled</u>	
	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>	<u>Gross</u>	<u>GF/GP</u>
Agriculture								
Bovine Tuberculosis Program (restore to Exec. Rec.)	\$1,466,800	\$0	--	--	\$1,466,800	\$0	--	--
Horse Racing Programs (partial veto restoration)	10,160,300	0	--	--	10,160,300	0	10,160,300	0
Corrections								
Prison Store Operations (restore restricted funding)	4,800,000	0	--	--	4,800,000	0	--	--
Northern Regional Consolidations (\$100 placeholder)	0	0	--	--	0	0	--	--
History, Arts and Libraries								
HAL Record Center Rent (three months)	366,000	366,000	--	--	366,000	366,000	--	--
Human Services								
Foster Care/Private Agency Rate Increase	--	--	--	--	17,601,000	10,759,600	--	--
Foster Care Case Shift	--	--	--	--	750,000	0	--	--
TOTAL	\$16,793,100	\$366,000	\$0	\$0	\$35,144,100	\$11,125,600	\$10,160,300	\$0

Table 5
FY 2008-09 Boilerplate Sections: SB 1111

Budget Area/Boilerplate Item

Agriculture

Horse Race Purses and Supplements (veto restoration)
 Thoroughbred Program Earmark (veto restoration)
 Thoroughbred Owners Awards (veto restoration)
 Purse Supplements (veto restoration)

Human Services

Increases private placing agency administrative rate to \$37/day

Executive	Senate	House	Enrolled
Included	--	Sec. 1302	Sec. 1302
Included	--	Sec. 1303	Sec. 1303
Included	--	Sec. 1304	Sec. 1304
Included	--	Sec. 1307	Sec. 1307
--	--	Sec. 1401	--