

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 95 (Substitute S-1 as reported with amendment)
Sponsor: Senator Ron Jelinek
Committee: Appropriations

CONTENT

The bill would provide for \$33.4 million of Gross supplemental appropriations and a negative \$863.6 million of General Fund/General Purpose (GF/GP) appropriations in FY 2008-09 to the Departments of Community Health, Human Services, and Natural Resources. The appropriations are funded with Federal funds available from the American Recovery and Reinvestment Act of 2009 (ARRA). All of the appropriations in the bill have been recommended for approval to the Legislature by the Office of the State Budget in requests dated June 10, 2009, June 23, 2009, July 8, 2009, and July 31, 2009.

The line-item appropriations in the bill are summarized in the table below.

Fiscal Year 2008-09 Supplemental Appropriations Senate Bill 95 (S-1) (actual dollars)		
Department/Program	Gross	GF/GP
<u>Community Health</u>		
Office of Services to Aging ARRA Funding	\$80,000	\$0
Mental Health ARRA Funding Shift	(3,308,300)	(186,946,100)
Children's Special Health Care ARRA Funding Shift.....	0	(16,563,600)
Medicaid ARRA Funding Shift	0	(645,157,700)
Subtotal Community Health.....	(3,228,300)	(848,667,400)
<u>Human Services</u>		
Children's Services ARRA Funding Shift	0	(14,967,900)
Child Care and Development Fund ARRA Funding	7,350,000	0
Americorps ARRA Funding	1,488,400	0
Local Office Field Staff ARRA Funding	1,331,100	0
Food Assistance Administration ARRA Funding	2,825,000	0
Subtotal Human Services	12,994,500	(14,967,900)
<u>Natural Resources</u>		
Invasive Species Control ARRA Funding.....	2,692,000	0
Subtotal Natural Resources	2,692,000	0
Total Supplemental Appropriations	\$12,458,200	\$(863,635,300)

Department of Community Health

The bill would appropriate increased Federal Medicaid match rate funding under provisions of ARRA. This increased Federal Medicaid match rate funding provides for \$848.7 million of GF/GP appropriation reductions in mental health, children's special health, and the Medicaid

program. These GF/GP appropriation reductions are offset dollar for dollar with the enhanced Federal Medicaid match rate funding. The bill also includes a Federal funding increase to support targeted case management services provided by local offices on aging.

Department of Human Services

The bill would appropriate increased Federal foster care and adoption subsidy funding under provisions of ARRA. This increased Federal funding provides for \$15.0 million of GF/GP appropriation reductions in these programs. These GF/GP appropriation reductions are offset dollar for dollar with the higher Federal funding. The bill also includes Federal ARRA funding for increased spending authorization for child care and development block grants to restore a provider rate reduction included in Executive Order 2009-22 and to fund quality improvement initiatives. Additional ARRA funds for Americorps programs, local field office overtime costs, and food assistance information technology projects are included as well.

Department of Natural Resources

The bill would appropriate increased Federal ARRA funding to protect and restore natural resources ecology functions and forest productivity. The funding would be used to address invasive plant species that are threatening State and private land across the State.

Boilerplate Language Sections

Sec. 201. Contains reporting language on total State spending and payments to local units of government.

Sec. 202. Provides that the appropriations are subject to statutory provisions in the Management and Budget Act.

Sec. 203. Specifies that the appropriations in the bill financed by Federal funds provided under ARRA are temporary in nature.

Sec. 210. Permits the appropriation of any additional Federal funds awarded to the State due to recalculation of formulas and under the redistribution provisions in ARRA and requires a report to the Legislature on any such appropriations.

Sec. 211. Directs that unspent day care funds and unspent Department of Natural Resources funds be carried forward into the next fiscal year.

Sec. 212. Requires that local governments and other eligible subrecipients receiving ARRA funds comply with all requirements in the ARRA legislation.

FISCAL IMPACT

The bill contains \$33.4 million of Gross appropriations and an \$863.6 million reduction in GF/GP appropriations for FY 2008-09.

Date Completed: 8-26-09

Fiscal Analyst: Gary S. Olson

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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.