



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2008-09 Year-to-Date Gross Appropriation	\$5,839,298,400
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Changes from FY 2008-09 Year-to-Date:Items Included by the Senate and House

1. None	0
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Conference Agreement on Items of Difference

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| 2. Caseload Adjustments. Conference adjusted program caseload for FY 2009-10. Food Assistance Program (\$1.4 billion Gross) is adjusted to reflect recent spending trends and increases in ARRA FAP support (\$343.4 million). Program increases are assumed in FIP (\$48.9 million), major decreases are assumed in day care (-\$83.1 million), foster care (-\$17.8 million), and Child Care Fund (-\$2.6 million). | 1,393,087,200 |
| 3. Child Welfare Improvement. Conference recognizes 524.0 additional FTE to implement the Children's Rights settlement agreement. Conference provides funding for a \$10 per diem increase in foster care administrative cost, and \$6.7 million/\$4.8 million GF for a 36.5% increase in adoption rates. Conference assumes 129.0 fewer FTE than the revised Exec. Rec. | 94,289,200 |
| 4. Juvenile Justice Changes. Conference concurs with assumed savings associated with the closure of Adrian and reorganization of Maxey (-\$10.0 million Gross/-\$5.0 million GF), eliminates funding for the Nokomis Secure JJ facility (-\$2.0 million GF), and all State community JJ centers (-\$914,400 GF). | (15,489,000) |
| 5. Staff Adjustments. Conference recognizes additional staff mostly funded with Federal funds (\$13.1 million Gross/\$2.6 million GF). The Conference eliminated 35.0 local office staff (-\$1.9 million GF), 65.0 administrative staff (-\$2.9 million GF), 13.0 field staff support (-\$880,000 GF). | 3,277,700 |
| 6. Grant Reductions. Conference reduced a number of lines. Major savings were taken from employment and training (\$20.7 million GF), Day Care (\$15.3 million GF), IDG to Michigan Works! (\$2.0 million GF), Strong Families/Safe Children (\$3.0 million GF), Before and After School (\$2.0 million), and FIP Incentive Payment (\$1.8 million GF). | (55,253,500) |
| 7. Increases. Conference recognizes increased Federal funds (\$11.5 million), and provides increases to Michigan 2-1-1 (\$300,000 GF) food bank funding (\$670,000 GF), local call centers (\$1.7 million), and LEIN integration into Bridges (\$250,000 GF). | 14,927,500 |
| 8. Base Adjustments. Conference adjusts the program base for the completion of the Bridges project (-\$17.3 million), and assumes GF savings through ARRA child support changes (-\$16.7 million GF) and Employee Economics (\$23.6 million Gross). | 4,506,600 |
| 9. Minor Reductions. Conference concurred with a number of Executive recommended GF/GP reductions. Conference reduced TANF to Community Services Block Grant (-\$2.1 million TANF), eliminated GF payments to friend of the court (-\$1.0 million), recognized lapse savings in a number of lines (-\$15.8 million GF impact). | (21,761,500) |
| 10. Fund Shifts. Conference used restricted, private and Federal funds to replace about \$230.0 million GF/GP. Conference also used \$21.3 in Child Care ARRA funds to replace GF. | 0 |
| 11. Back Out FY 2008-09 Adjustments. YTD is adjusted to reflect major increases in FAP caseload (\$815.0 million Gross), ARRA supplemental (\$465.1 million), and EO savings (\$130.1 million). | (1,309,104,300) |
| 12. Other Changes. | (6,373,600) |

Total Changes.....	\$102,106,300
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FY 2009-10 Conference Report Gross Appropriation	\$5,941,404,700
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Amount Over/(Under) GF/GP Target (\$500)

Changes from FY 2008-09 Year to Date:Items Included by the Senate and House

1. There were no budget boilerplate items of concurrence between the House and Senate.

Conference Agreement on Items of Difference

2. **Time Limits and Provider Payment.** Current law boilerplate was modified to require the Department to utilize state funds to reimburse contractors for services no longer eligible for payment of Federal funds due to time limits. (Sec. 288)
3. **Staff Reductions.** New budget boilerplate specifies a reduction of funding to support 65.0 FTE within the Department. (Sec. 290)
4. **Bridges Integration Into LEIN.** New boilerplate requires the Department to expend \$250,000 to modify the new Bridges eligibility system to access information in the Law Enforcement Information System (LEIN) operated by the Department of State Police to determine if individuals with disqualifying criminal status are accessing program benefits. (Sec. 295)
5. **Marriage Initiative.** Current law boilerplate describing the structure of the Marriage Initiative grant program is retained. (Sec. 415)
6. **Fatherhood Initiative.** Current law boilerplate describing the structure of the Fatherhood Initiative grant program is retained. (Sec. 416)
7. **Out of State Child Placement.** Current law boilerplate describing requirements for placement of children in an out-of-state facility is modified to state that children may not be placed in an out-of-state facility without approval of the Department's Interstate Compact Office. (Sec 513)
8. **Foster Care Private Administrative Per-Diem.** Current law boilerplate is updated to reflect a \$10 increase in the administrative per diem provided to private child placing agencies funded in the FY 2009-10 appropriation. Current law is also modified to reflect a change in the cost share between the State and Counties for foster care administrative services to 75% State and 25% County. (Sec. 546)
9. **Foster Care Public Administrative Per-Diem.** New boilerplate would require the Department to establish a \$40 administrative per-diem for publicly supervised foster care cases. The per diem would be shared between the State and Counties at a rate of 75% State and 25% County. (Sec. 547)
10. **Mental Health Assessment.** New boilerplate requires the Department to utilize a standardized assessment tool to determine the mental health needs of children placed with the Department. (Sec. 578)
11. **Adoption Administrative Rate Adjustment.** New boilerplate provides a reimbursement schedule for rates paid through the Adoption Support Services line to private agencies. The schedule represents a 36.5% rate increase. The increase is intended to assist private agencies in meeting new staffing levels mandated in the children's right settlement agreement. (Sec. 581)
12. **Indigent Burial.** New boilerplate describes the structure of a new statewide pilot program providing reimbursement to funeral directors, cemeteries or crematoriums for the cremation of unclaimed indigent individuals. (Sec. 613)
13. **FIP Program Supplement.** New budget boilerplate describes the structure of a one-time supplemental payment provided to recipients of the current clothing allowance payment to be provided in FY 2009-10. The payment utilizes State GF/GP dollars to access TANF emergency fund match provided through the American Reinvestment and Recovery Act of 2009. (Sec. 670)
14. **Child Day Care Restructuring.** New budget boilerplate describes Conference action to consolidate shelter areas and provide a tiered reimbursement system for unlicensed providers. (Sec. 675)
15. **Nokomis and Community Juvenile Justice Staff Requirements.** New budget boilerplate requires the Department to ensure that staff currently employed at State operated secure and community juvenile facilities eliminated in the appropriation be given priority for new staff positions that may become available. (Sec. 732)

Date Completed: 9-29-09

Fiscal Analyst: David Fosdick