



Senate Fiscal Agency  
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# BILL ANALYSIS

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Senate Bill 248 (S-1, Draft 1 as reported)  
Committee: Appropriations

*Throughout this document Senate means Subcommittee.*

<b>FY 2008-09 Year-to-Date Gross Appropriation .....</b>	<b>\$4,627,215,800</b>
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**Changes from FY 2008-09 Year-to-Date:**

<p>1. <b>Program Caseload Adjustments.</b> The Senate concurred with increases to Family Independence Program by (\$51.5 million Gross/-\$7.3 million GF), Child Care Fund (\$16.2 million GF), Adoption Subsidy (\$6.0 million Gross/\$2.4 million GF) and State Supplementation (\$362,700 GF). Funding for Foster Care (-\$26.8 million Gross/-\$4.7 million GF) and Child Day Care (\$821,600 Gross) was reduced.</p>	46,505,300
<p>2. <b>Child Welfare Improvements.</b> The Senate provided \$91.4 million Gross/\$14.5 million GF to meet the requirements of the Children's Rights settlement reached in October of 2008. The Senate reduced staff adjustments by 290.0 FTE (\$22.0 million Gross/\$16.3 million GF) to account for new estimates of staff levels needed to meet the terms of the settlement. Funding was also provided for private agency rate increases, data collection, and other needs.</p>	91,375,700
<p>3. <b>Program Increases.</b> The Governor and Senate provided funding for outstation Medicaid workers (\$1.4 million Gross), software upgrades (\$1.4 million Gross/\$600,000 GF) and other adjustments. New Senate programs included a local agency call center pilot project (\$2.0 million GF), community collaborative grants (\$500,000 GF) and a mandated link between the Bridges and LEIN system operated by the Dept. of State Police (\$245,000 GF).</p>	7,314,300
<p>4. <b>Authorization Increases.</b> The Governor and Senate increased Federal authorization for TANF (\$9.0 million) and LIHEAP (\$4.8 million). Additional Federal authorization (\$9.3 million) was provided for Refugee Assistance, facility licensing, and attorney contracts.</p>	25,662,500
<p>5. <b>Senate Program Restorations.</b> The Senate restored GF/TANF cuts to Before and After School (\$5.0 million), Zero to Three (\$4.0 million), Teenage Parent Counseling (\$3.8 million), Marriage and Fatherhood Initiative (\$4.2 million), FIP Incentive Payments (\$1.8 million), Indigent Burial rates (\$1.7 million) and Friend of the Court Supplement payments.</p>	0
<p>6. <b>Executive Reductions.</b> The Governor and Senate eliminated State SSI supplementation payments to independent living recipients (\$29.8 million GF), reduced payment rates for CDC and FIP (\$15.0 million GF), and recognized the end of Bridges implementation, (\$17.3 million Gross/\$12.1 million GF). The budget assumed juvenile justice savings from the closure of the Adrian facility and from structural changes at Maxey (\$10.0 million Gross/\$5.0 million GF). The Senate increased CDC administrative savings by \$5.0 million to \$15.0 million GF and recognized a number of smaller negative adjustments in the executive recommendation.</p>	(105,497,700)
<p>7. <b>Senate Reductions.</b> The Senate assumed savings from the mandated closure of all remaining State-operated secure facilities except Maxey (\$5.9 million Gross/\$2.4 million GF), closure of all State-operated community juvenile centers (\$900,600 Gross/\$443,400 GF), elimination of 46.0 administrative and supervisory FTE in child welfare (\$3.8 million Gross/\$2.8 million GF) and a reduction in the FIP clothing allowance from \$88 to \$75 (1.7 million GF).</p>	(12,288,700)
<p>8. <b>Major GF/GP Fund Shifts.</b> GF/GP was replaced with carry forward TANF funds (\$100.0 million) and match savings included in the Federal stimulus package (\$16.2 million).</p>	0
<p>9. <b>Economic Adjustments.</b> The Governor and Senate adjusted employee economics \$23.5 million Gross/\$8.5 million GF.</p>	23,530,400
<p>10. <b>Comparison to Governor's Recommendation.</b> Senate is \$11,259,200 Gross and \$565,200 GF/GP under the Governor.</p>	
<b>Total Changes .....</b>	<b>\$76,601,800</b>

<b>FY 2009-10 Senate Appropriations Subcommittee Gross Appropriation .....</b>	<b>\$4,703,817,600</b>
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**Changes from FY 2008-09 Year to Date:**

1. **Multiple Employee Travel Prohibition.** Current law language that forbid the Department from using State resources to send more than one employee to a conference or seminar outside the State was restored in the Senate bill. (Sec. 219)
2. **Communication with the Legislature.** Current law language that stated that Department employees cannot be punished for communicating with the Legislature was restored in the Senate bill. (Sec. 264)
3. **Contingency Funds.** Current law language establishing Federal, State Restricted, Local, and Private contingency authorization available for transfer was retained in the Senate bill. (Sec. 280)
4. **Bridges Integration into LEIN.** New Senate language provided \$245,000 GF/GP for system changes that would permit the Department to access data available through the Law Enforcement Information System (LEIN) system in the new Bridges eligibility system. The language mandated that this information be used to ensure that individuals with criminal justice history that makes them ineligible for program benefits are not accessing Department administered assistance programs. (Sec. 295)
5. **General Fund Lapse Report.** New Senate language required the Department to provide an estimate of anticipated general funds lapses to the Legislature by the end of the fiscal year. (Sec. 296)
6. **Foster Care Administrative Daily Rate.** Current law language describing a \$27.00 administrative daily rate to be provided to private child placing agencies was modified by the Senate to account for an increase in the daily rate to \$37.00. (Sec. 546)
7. **Wayne County Family Preservation Services.** Current law language that required the expenditure of \$2.0 million in family preservation funding for home based programs in Wayne County was restored in the Senate bill. (Sec. 565)
8. **Foster Parent Dropout Report.** New Senate language required the Department to provide a report to the Legislature estimating the number of current foster parents who no longer participate in the program because of more stringent licensing standards or new mandates associated with the Children's Rights settlement. (Sec. 583)
9. **Child Day Care Waste, Fraud and Abuse.** Current law boilerplate was modified in the Senate bill. The language would permit the Department to contract with a private entity to utilize information technology and increased management and oversight of the child day care program to reduce inappropriate payments made through the program. (Sec. 674)
10. **Caseworker Policy Changes.** New Senate language required the Department to ensure that individuals presenting identification from other states are not enrolled in assistance programs in outside of Michigan, to explore change in program policy to deny assistance to individuals with property assets worth more than \$500,000, to explore changes in program policy to confirm residency for program applicants, and to collect and distribute phone numbers for individuals enrolled in Medicaid health plans to their assigned health plan. (Sec. 686)
11. **Juvenile Justice Staff Adjustments.** New Senate boilerplate required the Department to utilize staff laid off through the closure of juvenile facilities in FY 2009-10 to fill new staff positions necessary to meet the requirements of the Children's Rights settlement. (Sec. 732)
12. **Call Center Pilot Project.** New Senate language required the expenditure of \$2.0 million GF/GP for a pilot project in two Michigan counties that would utilize call centers operated by private entities to assist local Department of Human Services offices. (Sec. 756)

Date Completed: 3-22-09

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