



Senate Fiscal Agency
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Senate Bill 248 (S-2 as passed by the Senate)
Committee: Appropriations

FY 2008-09 Year-to-Date Gross Appropriation	\$4,951,739,500
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Changes from FY 2008-09 Year-to-Date:

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| 1. Program Caseload Adjustments. The Senate adjusted program caseload to meet the DHS caseload consensus figures determined in May of 2009. Small caseload increases are observed in the Family Independence Program and State Disability Assistance programs. Large decreases are expected in the Child Day Care and Foster Care program. | (19,111,900) |
| 2. Child Welfare Improvements. The Senate funded to meet the requirements of the Children's Rights settlement reached in October of 2008. The Senate reduced staff adjustments by 303.0 FTE (\$22.2 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. | 90,182,300 |
| 3. Program Increases. 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. | 4,569,400 |
| 4. Authorization Adjustments. The Senate included additional Federal authorization in the Food Assistance Program (\$1.5 billion). The Governor and Senate adjusted Federal authorization for TANF (\$9.0 million) and LIHEAP (-\$117.8 million). | 1,429,959,200 |
| 5. Executive Reductions. 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. | (120,964,000) |
| 6. Senate Reductions. The Senate reduced Child Day Care Rates (\$38.4 million GF/GP), reduced day care hours (\$15.5 million GF/GP), reduced FIP grants \$10.00 per person per month (\$24.0 million GF/GP), reduced the FIP clothing allowance (\$5.6 million GF/GP), reduced employment and training funding (\$13.5 million GF/GP), reduced staff levels 100.0 FTE (\$9.1 million Gross/\$5.4 million GF/GP), mandated the closure of the Nokomis Challenge Center (\$4.8 million Gross), and Community Juvenile Facilities (\$900,600 Gross/\$443,400 GF/GP) and the elimination of 46.0 administrative and supervisory FTE in child welfare (\$3.8 million Gross/\$2.8 million GF/GP). | (147,130,800) |
| 7. Fiscal Year 2008-09 Adjustments. The Senate provided additional funding through contingency fund transfers (\$144.0 million), recognized Federal stimulus funding (\$435.0 million Gross), and recognized reduced funding through two Executive Orders (\$201.7 million Gross). | (375,516,000) |
| 8. Economic Adjustments. | 23,530,400 |
| 9. Comparison to Governor's Recommendation. The Senate is (165,045,700) Gross and (168,856,900) GF/GP under the revised Governor's Recommendation adjusted for caseload. | |

Total Changes.....	\$885,518,600
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FY 2009-10 Senate-Passed Gross Appropriation	\$5,837,258,100
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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 a \$100.00 placeholder 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. **Lawsuit Settlement Staff Modification.** New Senate language required the Department to seek a modification in mandated staff levels for purchase of service (POS) monitoring staff for FY 2009-10. This would change the mandated ratio for 75.0% of POS caseworker to cases to 60 per caseworker instead of 50 per caseworker. (Sec. 586)
10. **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)
11. **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)
12. **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)

Date Completed: 6-19-09

Fiscal Analyst: David Fosdick