

Senate Bill 576 (as introduced 10-10-19)
Sponsor: Senator Curtis Hertel, Jr.
Committee: Appropriations

Date Completed: 10-10-19

CONTENT

The supplemental would provide appropriations for fiscal year (FY) 2019-20 for various State budget areas. A number of these items were items included in Governor Whitmer's original FY 2019-20 budget that were not part of the enacted budget; some items represent partial or full restoration of items vetoed by Governor Whitmer on September 30, 2019; and some items represent partial or full restoration of funding transferred out of line items by the State Administrative Board at its October 1, 2019, meeting. The supplemental includes line-item appropriations of \$355.2 million Gross and \$208.4 million General Fund/General Purpose (GF/GP). The supplemental also includes boilerplate language depositing \$100.0 million GF/GP into a new "Balanced Budget Reserve Fund" in the Department of Treasury. [Table 1](#) summarizes the appropriations in the supplemental.

Table 1

FY 2019-20 Supplemental Appropriations				
Budget Area	Gross	Federal	State Restricted	GF/GP
Corrections	\$25,124,800	\$0	(\$24,000,000)	\$49,124,800
Health & Human Services	241,564,300	155,360,400	4,285,800	81,918,100
Military and Veterans Affairs	2,100,000	-	0	2,100,000
State	2,000,000	-	-	2,000,000
State Police	11,074,300	0	11,074,300	-
Technology, Mgt, & Budget	73,292,700	0	0	73,292,700
TOTAL	\$355,156,100	\$155,360,400	(\$8,639,900)	\$208,435,600

FISCAL IMPACT

The bill provides line-item appropriations of \$355.2 million Gross and \$208.4 million GF/GP. The bill also includes a boilerplate appropriation of \$100.0 million Gross and GF/GP to a new "Balanced Budget Reserve Fund" housed in the Department of Treasury. Of the proposed appropriations, \$48.5 million Gross and \$8.2 million GF/GP represent full or partial restoration of items vetoed by Governor Whitmer on September 30, 2019. A total of \$14.4 million Gross and GF/GP represent full or partial restoration of funding shifted out of programs by the State Administrative Board on October 1, 2019. [Table 2](#) summarizes the details of the appropriations in the supplemental.

FY 2019-20 BOILERPLATE LANGUAGE SECTIONS-PART 2

Sec. 201. General. Records amount of total State spending and payments to local units of government.

Sec. 202. General. Subjects appropriations and expenditures in the article to the provisions of the Management and Budget Act.

Sec. 301. Health and Human Services - Autism Navigators. Restores vetoed language governing the distribution of \$1,025,000 in funding for autism navigator services.

Sec. 302. Health and Human Services - Critical Access Hospital Funding. Restores vetoed language providing a Medicaid outpatient hospital rate increase to rural hospitals that are designated as critical access hospitals.

Sec. 401. Technology, Management, and Budget - Balanced Budget Reserve Fund. Creates a "Balanced Budget Reserve Fund" in the Department of Treasury and deposits \$100.0 million Gross and GF/GP into the Fund. Also includes language directing that money in the Fund be spent, upon appropriation, to support core State and local government services and maintain a balanced State budget and directs that money in the Fund shall not lapse at the end of the fiscal year.

Table 2

FY 2019-20 Supplemental		
Department/Program	Gross	GF/GP
Corrections		
Clinical complexes funding (12.5 FTEs)	\$1,792,900	\$1,792,900
Replacement of electronic tethers	4,567,100	4,567,100
Corizon contract inflationary adjustment.....	2,330,100	2,330,100
Aging prisoners funding (3.0 FTEs)	700,300	700,300
New custody staff training	10,466,800	10,466,800
Program and Special Equipment Fund source shift	0	24,000,000
Reversal of historical rebasing adjustments in FY 20 budget.....	3,617,600	3,617,600
Offender success services	1,500,000	1,500,000
Healthy Michigan Plan administration	<u>150,000</u>	<u>150,000</u>
Total Corrections	\$25,124,800	\$49,124,800
Health and Human Services		
Family preservation programs	\$2,901,200	\$ 2,901,200
Centers for independent living (partial restoration of Ad Brd.)	2,000,000	2,000,000
Healthy homes program (lead and copper rule)	14,373,000	14,373,000
Work supports for Healthy Michigan Plan enrollees.....	6,500,000	6,500,000
Restoration of critical access hospital veto	34,265,100	5,099,100
Restoration of autism navigator veto.....	1,025,000	1,025,000
Federal health insurance fee	<u>180,500,000</u>	<u>50,019,800</u>
Total Health and Human Services	\$ 241,564,300	\$81,918,100

Military and Veterans Affairs		
Partial restoration of county veteran service fund veto	<u>\$2,100,000</u>	<u>\$2,100,000</u>
Total Military and Veterans Affairs.....	\$2,100,000	\$2,100,000
State		
Funding to support redistricting commission.....	<u>\$2,000,000</u>	<u>\$2,000,000</u>
Total Licensing and Regulatory Affairs	\$2,000,000	\$2,000,000
State Police		
Partial restoration of secondary road patrol veto (1.0 FTE)	<u>\$11,074,300</u>	<u>\$0</u>
Total State Police.....	\$11,074,300	\$0
Technology, Management, and Budget		
Legislative retirement (restoration of Ad Board transfer).....	\$12,400,000	\$12,400,000
Update legacy systems.....	20,000,000	20,000,000
Migrations and integrations for MiLogin (5.0 FTEs)	3,299,000	3,299,000
Public safety communications system (ongoing)	3,614,800	3,614,800
Public safety communications system (one-time).....	5,878,900	5,878,900
2020 census funding	20,000,000	20,000,000
Maintenance of state-owned facilities	<u>8,100,000</u>	<u>8,100,000</u>
Total Technology, Management, and Budget.....	\$73,292,700	\$73,292,700
Total FY 2019-20 Budget Area Supplemental Appropriations	\$355,156,100	\$208,435,600
Boilerplate Deposit into Balanced Budget Reserve Fund.....	\$100,000,000	\$100,000,000
Grand Total FY 2019-20 Supplemental Appropriations	\$455,156,100	\$308,435,600

Fiscal Analyst: Steve Angelotti

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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.