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Senate Bill 87 (S-2 as passed by the Senate)
Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE*	FY 2021-22 SENATE-PASSED	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	372.5	309.7	(62.8)	(16.9)
GROSS	73,315,700	72,962,900	(352,800)	(0.5)
Less:				
Interdepartmental Grants Received	728,600	724,600	(4,000)	(0.5)
ADJUSTED GROSS	72,587,100	72,238,300	(348,800)	(0.5)
Less:				
Federal Funds	1,017,100	1,017,100	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	71,570,000	71,221,200	(348,800)	(0.5)
Less:				
Other State Restricted Funds	71,570,000	71,221,200	(348,800)	(0.5)
GENERAL FUND/GENERAL PURPOSE	0	0	0	0.0
PAYMENTS TO LOCALS	0	0	0	0.0

*As of February 8, 2021.

	Gross	GF/GP
FY 2020-21 Year-to-Date Appropriation	\$73,315,700	\$0
Changes from FY 2020-21 Year-to-Date:		
1. Regulatory Staffing Increase. The Governor included an increase of 10.0 FTEs from Year-to-Date in Consumer Services and Protection (7.0 FTEs) and Insurance Evaluation (3.0 FTEs). The Governor also included a net-to-zero shift of 10.0 FTEs from Consumer Services and Protection to Insurance Evaluation. The Senate did not include the increase or shift.	0	0
2. Net-to-Zero Fund Shift. The Governor included a net-to-zero fund shift of \$2.0 million from the Insurance Bureau Fund to Insurance Licensing and Regulation Fees within the Insurance Evaluation Program. The Senate concurred.	0	0
3. FTE Reduction. The Senate made a total reduction of 62.8 FTEs across the department.	0	0
4. Economic Adjustments. Includes negative \$352,800 Gross and \$0 GF/GP for total economic adjustments, of which an estimated negative \$1,300,100 Gross and \$0 GF/GP is for legacy retirement costs (pension and retiree health).	(352,800)	0
5. Comparison to Governor's Recommendation. The Senate is \$24,700 Gross and \$24,700 GF/GP under the Governor.		
Total Changes	(\$352,800)	\$0
FY 2020-21 Senate-Passed Appropriation	\$72,962,900	\$0

Boilerplate Changes from FY 2020-21 Year-to-Date:

1. **Disciplinary Action Against Employees.** The Governor removed language prohibiting disciplinary action against department employees who communicate with legislators or legislative staff. The Senate retained. (Sec. 206)
2. **Out-of-State Travel Report.** The Governor revised the requirements for out-of-State travel reports and removed language specifying the conditions under which travel is permissible. The Senate retained. (Sec. 207).
3. **Contingency Funds.** The Governor increased the amounts appropriated for contingency funds. The Senate deleted contingency fund language. (Sec. 210)
4. **FTE and Remote Work Report.** The Governor deleted a section requiring the department to submit a quarterly report on FTEs and remote work. The Senate retained. (Sec. 216)
5. **Work Project Authorization Requirement.** The Governor deleted and declared unenforceable a section that prohibited the Department from spending funds until all existing work project authorization available for the same purpose were exhausted. The Senate retained. (Sec. 217)
6. **Ad Board Transfers.** The Governor deleted and declared unenforceable a section permitting intertransfer of funds by the Legislature under certain conditions if the funds were previously transferred by the State Administrative Board. The Senate retained. (Sec. 218)
7. **Report Retention.** The Governor deleted language requiring the Department to retain all reports funded from part 1 appropriations and to follow related State and Federal guidelines. The Senate retained. (Sec. 219)
8. **Policy Change Reporting Requirement.** The Governor deleted a report that required the Department to specify policy changes made to implement enacted legislation in the previous fiscal year. The Senate retained. (Sec. 220)
9. **Television and Radio Production.** The Governor deleted a section requiring the Department to submit a report on payments for TV and radio productions made to third-party vendors. The Senate retained. (Sec. 222)
10. **Insurance Bureau Fund.** The Governor deleted a section permitting the Fund to be used to support legislative participation in activities coordinated by insurance associations, as these permissions are contained in existing statute. The Senate deleted the section. (Sec. 223)
11. **Health Insurance Rate Filing Report.** The Governor deleted a section requiring the Department to submit a report detailing health insurance rate filings. The Senate retained. (Sec. 301)
12. **Conservatorship and Insurance Liquidation Funds.** The Governor removed language limiting the amount of appropriated funds spent to provide required services in relation to a conservatorship or corporate liquidation, and appropriations from revenue from providing customized listings of nonconfidential information, to \$300,000. The Senate deleted the sections. (Secs. 302 and 303)
13. **Surprise Billing Report.** The Governor removed language requiring a report on out-of-network billing complaints. The Senate concurred. (Sec. 304)
14. **Anti-Fraud Unit Midyear Update.** The Governor deleted language requiring the Department to provide a mid-year update to the annual Anti-Fraud Unit report required by statute (MCL 500.6303). The Senate retained. (Sec. 305)
15. **Complaints Report.** The Governor deleted language requiring the Department to provide a report on complaints received by the Office of Consumer Services and steps taken to address them. The Senate retained. (Sec. 306)
16. **Marijuana Banking Guidance.** The Governor deleted a section requiring the Department to update examination manuals and letters of guidance to State-chartered financial institutions as necessary with relation to providing financial services to marijuana businesses. The Senate retained. (Sec. 307)
17. **Database Contract Criteria (NEW).** The Senate included language outlining criteria the department must prioritize if it awards a contract for an establishment of a regional healthcare claims database after in the event that it receives federal funds for that purpose. (Sec. 308)

Date Completed: 5-11-21

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberation.