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Senate Bill 114 (Substitute S-2 as reported)

Sponsor: Senator Jim Stamas

Senate Committee: Appropriations

CONTENT

The substitute for the supplemental would provide appropriations for fiscal year (FY) 2020-21 to appropriate new Federal funding allocated to states in December 2020 and to continue and enhance direct care worker hazard pay. The appropriations would total \$727.8 million Gross and \$55.0 million General Fund/General Purpose (GF/GP). Table 1 summarizes the FY 2020-21 appropriations in the supplemental.

Table 1

Budget Area	Gross	Federal	GF/GP
Health & Human Services	\$445,182,200	\$390,182,200	\$55,000,000
Labor & Econ. Opportunity	282,581,700	282,581,700	0
TOTAL	\$727,763,900	\$672,763,900	\$55,000,000

FISCAL IMPACT

The bill provides FY 2020-21 line-item appropriations of \$727.8 million Gross and \$55.0 million GF/GP. Table 2 summarizes the details of the appropriations in the supplemental.

FY 2020-21 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. 203. General. Directs that, if the State Administrative Board transfers funds appropriated in the Act, the Legislature may, by concurrent resolution requiring a majority vote in each chamber, transfer funds within a particular department, board, commission, officer, or institution.

Sec. 204. General. States legislative intent that a hiring freeze be imposed on State civil service, with a prohibition on hiring new State classified civil service employees and a prohibition on filling any vacant State classified civil service positions. Exempts internal transfers of employees within a department.

Sec. 251. Health and Human Services. Extends the COVID-19 direct care worker hazard pay adjustment from February 28, 2021, to September 30, 2021, and increases the enhancement from \$2.00 per hour to \$2.25 per hour, with the increase going to the same categories of workers covered under the increase in effect through February 28, 2021. Expands the workers eligible to include a \$2.25 per hour increase effective from March 1, 2021, to September 30, 2021, for employees of licensed adult foster care homes, licensed homes for the aged, and direct support employees and job coaches working in supported

employment arrangements. Also expands the workers eligible to include a \$2.00 per hour increase effective from March 1, 2021, to June 30, 2021, for front-line workers employed by child caring institutions as defined in statute. Continues the same criteria on documentation, impact on average compensation, and the ability to decline the increase as was stated in past FY 2020-21 budget acts.

Sec. 252. Health and Human Services. Mandates that \$75.0 million of the funding in the Federal COVID Epidemiology and Laboratory Capacity Grant line item be used for grants to school districts, public school academies, intermediate school districts, and nonpublic schools for COVID-19 testing purposes. Mandates that \$20.0 million of the funding in the line be allocated for Michigan Department of Corrections testing. Mandates that \$25.0 million of the funding in the line be allocated for testing at licensed skilled nursing facilities. Requires the Department of Health and Human Services (DHHS) to work with the Department of Education to distribute grants to school districts and public school academies based on the most recent headcount data. Requires the two departments to notify, within five days of enactment of the bill, registered and approved nonpublic schools of the availability of grant funds for COVID-19 testing and to set up a grant process for those schools. Requires nonpublic schools to report headcount data to the DHHS within five days of the grant process being open for application and requires the department to approve such a request. Directs that each schools and school districts covered under the section receive a grant equal to the headcount multiplied by \$50. Requires that intermediate school districts receive a grant equal to the staff headcount multiplied by \$50. Limits funding to schools to those schools that provide at least 20% of all instruction in person. Limits funding to intermediate school districts to those districts that have an average of all staff working in person at least one day per week at the intermediate school district or a constituent school district. Requires the two departments to work with all covered entities not later than 21 days after enactment of the bill. Permits use of the funds for testing for staff and students including teachers, counselors, administrators, support staff, aides, bus drivers, coaches, cafeteria staff, custodians, students playing contact sports, and other students as determined by the educational entity. Directs that if funds are not sufficient to cover a \$50 per headcount grant, grants must be prorated accordingly.

Sec. 255. Health and Human Services. Directs that one third of the funding in the Federal COVID Immunization and Coronavirus Vaccine Grant Reserve Fund line item (\$36.7 million) be allocated to manage the administration of COVID-19 vaccinations. Directs that the remaining funding in the line be available for expenditure only after the State Budget Office submits a legislative transfer request and that transfer is approved pursuant to the Management and Budget Act. Requires that, before submission of a transfer request, the DHHS demonstrate that appropriations for coronavirus vaccine strategy in Public Act 257 of 2020 have been spent and that the Department report to the Appropriations Committees, the fiscal agencies, and the State Budget Office as to how the requested funds would be used.

Sec. 256. Health and Human Services. Directs the DHHS to report weekly to the Appropriations Committees, the fiscal agencies, the policy offices, and the State Budget office on metrics used for calculating vaccine distribution to local health departments and enrolled providers and an analysis by county on how allocations were calculated, the number of vaccines distributed to health departments and providers the previous week, the estimated number of vaccines to be distributed to health departments and providers in the current week, the estimated number of vaccines to be distributed to health departments and providers in the next week, the number and estimated percentage of individuals vaccinated by vaccination phase, the number and estimated percentage of individuals residing or working in nursing homes vaccinated, the number and estimate percentage of individuals over the age of 65 vaccinated, and the total amount spent from the funding appropriate in part 1 for vaccination broken down by Federal and General Fund. Requires the reports in this section to be placed on a publicly accessible internet site.

Sec. 257. Health and Human Services. Requires the Department and Health and Human Services to report by March 1, 2021, to the Appropriations Committees, the fiscal agencies, the policy offices, and the State Budget Office on the formula or detailed methodology used to distribute vaccines to health departments and providers, with an example of how the formula would distribute a total of 100,000 vaccines to each local health department and each enrolled provider. Requires notification to the same entities within one business day of any changes made to the formula or detailed methodology used to distribute vaccines, the rationale for the change, and an example of how the revised formula would distribute a total of 100,000 vaccines to health departments and providers. Requires a report to the same entities by March 1, 2021, on the advantages and disadvantages of incorporating a specific minimum or baseline number of weekly vaccines to be provided to each specific local health department and enrolled provider. Requires the reports in this section to be placed on a publicly accessible internet site.

Sec. 258. Health and Human Services. Requires the DHHS to use only the estimated number of individuals in each eligible priority group who have not yet been fully vaccinated in each locality in determining the distribution of doses of COVID-19 vaccines to localities. Bars the use of race, gender, color, national origin, religion, sex, and socioeconomic status as factors in determining the distribution of COVID-19 vaccines.

Sec. 259. Health and Human Services. Requires a recipient of a COVID-19 vaccine to be provided with information or be informed if and in what manner the development of the vaccine utilized aborted fetal tissue or human embryonic stem cell derivation lines.

Sec. 301. Labor and Economic Opportunity. Directs that funding appropriated in part 1 for Emergency Rental Assistance be administered by terms set forth in Federal law authorizing the Federal Department of Treasury to make payments to recipients to be used to provide emergency rental assistance. Directs the Department of Labor and Economic Opportunity, the DHHS, the judiciary, community action agencies, nonprofit agencies, and legal aid organizations to collaborate to create a rental and utility assistance program. Directs that the rental assistance program operate in accordance with rules established by the Federal Department of Treasury to provide rent and utility assistance to preserve housing and avoid eviction. Creates a work project for the funding.

Sec. 302. Labor and Economic Opportunity. Allocates funding in the Emergency Rental Assistance – Administrative Costs line to be administered under the terms allowed in Federal law.

Table 2

Department/Program	Gross	Federal	GF/GP
Health and Human Services			
Vaccine distribution	\$110,239,800	\$110,239,800	\$0
COVID testing	184,942,400	184,942,400	0
\$2.25 per hour direct care worker (thru 9/30)	150,000,000	95,000,000	55,000,000
Total Health and Human Services	\$445,182,200	\$390,182,200	\$55,000,000
Labor and Economic Opportunity			
Emergency rental assistance	\$220,302,200	\$220,302,200	\$0
Emergency rental assistance – admin. costs	62,279,500	62,279,500	0
Total Labor and Economic Opportunity	\$282,581,700	\$282,581,700	\$0
Total FY 2020-21 Supplemental Appropriations	\$727,763,900	\$672,763,900	\$55,000,000

Date Completed: 2-25-21

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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.