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Senate Bill 844 (as enacted)

PUBLIC ACT 194 of 2022

Sponsor: Senator Jim Stamas Committee: Appropriations

Date Completed: 10-13-22

CONTENT

The supplemental would make appropriations of \$133.1 million Gross, and \$3.4 million General Fund/General Purpose (GF/GP) for fiscal year (FY) 2021-22 and \$1.0 billion Gross, and \$983.4 million GF/GP for FY 2022-23 to several State departments. Each item in the bill is detailed in $\underline{\text{Tables 3}}$ and $\underline{\text{4}}$.

<u>Tables 1</u> and $\underline{2}$ summarize funding by budget area in the supplemental for FY 2021-22 and FY 2022-23, respectively. Note: the bill is structured such that FY 2022-23 appropriations are listed before FY 2021-22 appropriations, but this analysis is in chronological order.

Table 1

FY 2021-22 Supplemental Appropriations				
Budget Area	Gross	Federal	Other	GF/GP
Corrections Environment, Great Lakes, and	\$0	\$57,000,000	\$0	(\$57,000,000)
Energy	2,800,000	0	2,800,000	0
Labor and Economic Opportunity	21,627,100	21,627,100	0	0
Military and Veterans Affairs	3,400,000	0	0	3,400,000
Natural Resources	100,000	0	100,000	0
State Police	105,200,000	48,200,000	0	57,000,000
TOTAL	\$133,127,100	\$126,827,100	\$2,900,000	\$3,400,000

Table 2

FY 2022-23 Supplemental Appropriations				
Budget Area	Gross	Federal	Other	GF/GP
Health and Human Services	\$72,237,200	\$0	\$0	\$72,237,200
Labor and Economic Opportunity	916,140,200	0	20,000,200	896,140,000
Military and Veterans Affairs	15,000,000	0	0	15,000,000
TOTAL	\$1,003,377,400	\$0	\$20,000,200	\$983,377,200

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FISCAL IMPACT

The bill provides FY 2021-22 line-item appropriations of \$133.1 million Gross and \$3.4 million GF/GP. See Table 3 for a list of items funded in the supplemental for FY 2021-22.

The bill provides FY 2022-23 line-item appropriations of \$1,003.4 million Gross and \$983.4 million GF/GP. See <u>Table 4</u> for a list of items funded in the supplemental for FY 2022-23.

FY 2021-22 BOILERPLATE LANGUAGE SECTIONS - PART 1A

Sec. 1201. General. Records amount of total State spending and payments to local units of government.

Sec. 1202. General. Subjects appropriations and expenditures in the article to the provisions of the Management and Budget Act.

Sec. 1203. General. States intent that the Legislature may intertransfer funds in the bill if those funds are transferred by the State Administrative Board.

Sec. 1204. General. Requires Federal funds to be allocated and spent in a manner consistent with Federal rules and regulations.

Sec. 1205. General. Subjects Federal funds to audit and reporting requirements.

Sec. 1206. General. Requires a monthly report by the State Budget Director on the status of funds appropriated in part 1, including funds used for COVID-19-related issues, to the Legislature.

Sec. 1301. Department of Environment, Great Lakes, and Energy. Designates unspent funds appropriated for Drinking Water Declaration of Emergency as a work project.

Sec. 1401. Department of Labor and Economic Opportunity. Requires Federal Reed Act dollars appropriated to the Unemployment Insurance Agency (UIA) to be used to cover administrative costs in the Agency.

Sec. 1402. Department of Labor and Economic Opportunity. Designates unspent funds appropriated for the UIA as a work project.

Sec. 1451. Department of Natural Resources. Designates unspent funds for Wildlife Management as a work project.

Sec. 1501. Department of State Police. Designates unspent funds for Federal Ineligible Expenses as a work project.

Sec. 1601. Department of Technology, Management, and Budget (DTMB). Provides receive and expend authority to DTMB for the Michigan Law Enforcement Officers Memorial Monument Fund.

FY 2022-23 BOILERPLATE LANGUAGE SECTIONS - PART 1

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. States intent that the Legislature may intertransfer funds in the bill if those funds are transferred by the State Administrative Board.

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- **Sec. 301. Department of Health and Human Services.** Requires the Department to allocate \$15.0 million to a community mental health services program located in Wayne County for capital costs of an integrated care center facility that includes a walk-in behavioral health crisis services center. Designates unspent funds as a work project.
- **Sec. 302. Department of Health and Human Services.** Requires the Department to allocate \$25.0 million to contracted child caring institutions for enhanced rates for children receiving services under mental health and behavioral stabilization rates or the developmentally disabled or cognitively impaired rates.
- **Sec. 303. Department of Health and Human Services.** Requires the Department to create a grant program for nonprofit organizations for infrastructure projects (for construction or renovation) to provide affordable and attainable housing for youth in foster care or who have aged out of foster care. Earmarks half of the funding (\$7.5 million) to a nonprofit located in Bloomfield Charter Township in Oakland County.
- **Sec. 304. Department of Health and Human Services.** Prescribes how the Department must use funds appropriated for first responder and public safety staff mental health. Designates unspent funds as a work project.
- **Sec. 305. Department of Health and Human Services.** Requires the Department to allocate funds for behavioral health facilities grants on a competitive basis to providers of behavioral health services for facility improvements, additional capacity, and/or facility acquisition with preference given to applicants that would repurpose school facilities to support provision of mental health, primary care, and dental services not currently subsidized through public or private insurance, focused on underserved areas.
- **Sec. 306. Department of Health and Human Services.** Prescribes funding to four hospitals whose quality assurance assessment program payments were incorrect, resulting in overpayment by those hospitals.
- **Sec. 307. Department of Health and Human Services.** Provides funding to a nonprofit with headquartered in Southfield (and meeting other specified criteria) to expand affordable housing for seniors and to expand programs for all-inclusive care for the elderly.
- **Sec. 401. Labor and Economic Opportunity (LEO).** Designates that \$800,000 from Michigan Enhancement Grants be awarded to Binder Park Zoo. This is a technical cleanup from Public Act 166 of 2022.
- **Sec. 402. Labor and Economic Opportunity.** Designates that \$240,000 from Economic Development and Workforce Grants be awarded to Pitchford Park for construction of a culvert. This is a technical cleanup from Public Act 166 of 2022.
- **Sec. 403. Labor and Economic Opportunity.** Programmatic language cleanup from Public Act 166 of 2022 related to Community Development Financial Institutions (CFDI) Fund grants.
- **Sec. 404. Labor and Economic Opportunity.** Reappropriates up to \$100.0 million in lapsing Federal Emergency Rental Assistance funding for the creation or rehabilitation of affordable housing in accordance with Federal regulations. Designates unspent funds as a work project.
- **Sec. 405.** Labor and Economic Opportunity. Allows the Michigan State Housing Development Authority to increase its limited-term FTEs by 25.0 for housing programs.

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- **Sec. 406. Labor and Economic Opportunity.** Increases State restricted contingency fund authorization by \$846.1 million to accommodate the GF/GP deposit into the Strategic Outreach and Attraction Reserve Fund.
- **Sec 407. Labor and Economic Opportunity.** Requires the funds appropriated in Part 1 for the Critical Industry Program to be used for activities pursuant to Section 88s of the Michigan Strategic Fund Act.
- **Sec. 408. Labor and Economic Opportunity.** Provides guidelines and intended allocations from the Michigan Strategic Site Readiness Program. Specifically, the program would state the Legislature's intent to allocate the funds as follows: \$25.0 million for grants to regional and local economic development organizations; \$100.0 million for improvements to strategic sites for which an end-user has not been identified; \$75.0 million for the assessment and development of mega-strategic sites; \$50.0 million for improvements to strategic sites for which an end-user has been identified; and \$100.0 million for the remediation and/or redevelopment of landfill facilities for future economic development.
- **Sec. 409. Labor and Economic Opportunity.** Requires that the funds appropriated in Part 1 for the Strategic Outreach and Attraction Reserve Fund be deposited into the SOAR Fund established in Section 4 of the Michigan Trust Fund Act.
- **Sec. 410. Labor and Economic Opportunity.** States that the Legislature finds and declares that the appropriations for the Critical Industry Program and the Strategic Site Readiness Program are for a public purpose and serve the health, safety, and general welfare of the residents of the State.
- **Sec. 411. Labor and Economic Opportunity.** Awards funding to Thomas Township for sewer and other infrastructure improvements to facilitate private investment of at least \$200.0 million. (Funding would not be provided if the Township receives a grant under Section 88t of the Michigan Strategic Fund Act after September 15, 2022.)
- **Sec. 412. Labor and Economic Opportunity.** Awards funding appropriated for Infrastructure Improvement Grant to Pontiac for the construction of a new bypass road.
- **Sec. 413. Labor and Economic Opportunity.** Awards funding appropriated for Downtown Placemaking to Adrian to remove blight, incentivize new residential development; create new parks, open spaces, and trails; and provide river cleanup.
- **Sec. 414. Labor and Economic Opportunity.** Awards funding appropriated for Municipal Information Technology and Cybersecurity Upgrades to Dearborn for this upgrade related to cybersecurity and information technology.
- **Sec. 415. Labor and Economic Opportunity.** Includes general language governing enhancement grants and economic development and workforce grants.

Repealers. Repeals Sections 991 (20.0 limited-term FTEs for housing and rental assistance; the bill would make these full-time employees instead) and 1097 (CFDI) of Article 5 of PA 166 of 2022. Repeals Section 818 (Michigan Law Enforcement Officers Memorial Monument Fund) of Article 5 of PA 87 of 2021.

Table 3

FY 2021-22 Supplemental Appropriations				
Department/Program	Gross	Federal	Other	GF/GP
Corrections				
Field operations	\$0	\$24,700,000	\$0	(\$24,700,000)
Mental health and substance use disorder treatment				
services	0	32,300,000	0	(32,300,000)
Total Corrections	\$0	\$57,000,000	\$0	(\$57,000,000)

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FY 2021-22 Supplemental Appropriations				
Department/Program	Gross	Federal	Other	GF/GP
Environment, Great Lakes, and Energy				
Drinking water declaration of emergency – work				
project reappropriation	\$2,800,000	\$0	\$2,800,000	\$0
Total Environment, Great Lakes, and Energy	\$2,800,000	\$0	\$2,800,000	\$0
Labor and Economic Opportunity				
Unemployment Insurance Agency	\$21,627,100	\$21,627,100	\$0	\$0
Total Labor and Economic Opportunity	\$21,627,100	\$21,627,100	\$0	\$0
Military and Veterans Affairs				
Grand Rapids Home for Veterans	\$3,400,000	\$0	\$0	\$3,400,000
Total Military and Veterans Affairs	\$3,400,000	\$0	\$0	\$3,400,000
Natural Resources				
Wildlife management	\$100,000	\$0	\$100,000	\$0
Total Natural Resources	\$100,000	\$0	\$100,000	\$0
State Police				
Post operations	\$0	\$48,200,000	\$0	(\$48,200,000)
Federal ineligible expenses	105,200,000	0	0	105,200,000
Total State Police	\$105,200,000	\$48,200,000	\$0	\$57,000,000
Total FY 2021-22 Supplemental Appropriations	\$133,127,100	\$126,827,100	\$2,900,000	\$3,400,000

FY 2022-23 Supplemental Appropriations				
Department/Program	Gross	Federal	Other	GF/GP
Health and Human Services				
Child caring institutions rate increase (ongoing) (child				
care fund and foster care payments)	\$25,000,000	\$0	\$0	\$25,000,000
Quality assurance assessment program	4,237,200	0	0	4,237,200
First responder and public safety staff mental health	7,500,000	0	0	7,500,000
Senior living and healthcare expansion	4,000,000	0	0	4,000,000
Behavioral health facilities grants	1,500,000	0	0	1,500,000
Critical child welfare infrastructure	15,000,000	0	0	15,000,000
Behavioral health care services and facilities	15,000,000	0	0	15,000,000
Total Health and Human Services	\$72,237,200	\$0	\$0	\$72,237,200
Labor and Economic Opportunity				
Critical industry program	\$100	\$0	\$100	\$0
Downtown placemaking grant	12,000,000	0	0	12,000,000
Economic development and workforce grants	240,000	0	0	240,000
Infrastructure improvement grant	7,500,000	0	0	7,500,000
Bauserman v Unemployment Insurance Agency	20,000,000	0	20,000,000	, ,
Michigan enhancement grants	800,000	0	, , 0	800,000
Michigan strategic site readiness program	100	0	100	. 0
Workforce and infrastructure grant	27,000,000	0	0	27,000,000
Municipal information technology and cybersecurity	2,500,000	0	0	2,500,000
Strategic Outreach and Attraction Reserve Fund	846,100,000	0	0	846,100,000
Total Labor and Economic Opportunity	\$916,140,200	\$0	\$20,000,200	\$896,140,000
Military and Veterans Affairs				
Armory modernization	\$15,000,000	\$0	\$0	\$15,000,000
Total Military and Veterans Affairs	\$15,000,000	\$ 0	\$0	\$15,000,000
Total FY 2022-23 Supplemental Appropriations	\$1,003,377,400	\$0	\$20,000,200	\$983,377,200

Fiscal Analyst: Josh Sefton

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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.