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House Bill 5797 (Substitute S-2 as reported)
Sponsor: Representative Thomas Albert
House Committee: Appropriations
Senate Committee: Appropriations

CONTENT

The supplemental would appropriate a net total of \$7.0 million in State restricted funds for fiscal year (FY) 2021-22, and \$2.0 million General Fund/General Purpose (GF/GP) for FY 2022-23. These funds would be appropriated across several State departments; amounts for each affected department are detailed in Tables 1 and 2. Note that the final column in Table 1 is the total amount of the positive and negative 'net-to-zero' appropriation adjustments for each affected department.

Appropriations for FY 2021-22 include several positive and negative amounts that net to zero. These 'net-to-zero' items would facilitate the close of books for FY 2021-22 by reducing line items in which actual expenditures were less than the appropriated amounts and transferring those appropriations to line items in which expenditures are projected to exceed appropriations. The majority of these items are in entitlement-type programs such as Medicaid, or in programs with highly variable staffing costs, such as the items for the Department of Corrections. The FY 2021-22 items in the bill effectively would make the year-end budgetary adjustments requested by the State Budget Office in Legislative Transfer Request 2022-8, which was submitted to the Senate and House Appropriations Committees on October 26, 2022. The bill does not include School Aid items from Legislative Transfer Request 2022-8 as those items would have to be included in a separate bill that would amend the School Aid Act.

The bill contains two FY 2021-22 items that would be net increases that do not net to zero: \$5.5 million in additional restricted authorization to allow for the finalization of quality assurance assessment program (QAAP) revenue. Quality assurance assessment program revenue accruals will not be finalized until December 2022, and the additional restricted authorization would allow the Department to close the books in case collected or accrued QAAP revenue is greater than current authorized amounts. The bill also would appropriate \$1.5 million in revenue from first- and third-party reimbursements to the Caro Center.

Finally, the bill contains two items for FY 2022-23: \$495,700 in Judiciary to increase salaries for district court judges to the same level as probate judges as specified under Public Act 177 of 2022, and \$1.5 million for the Independent Citizens Redistricting Commission to cover costs incurred by the Commission in defending its redistricting plans against various legal challenges.

Table 1

FY 2021-22 Supplemental Appropriations			
Budget Area	Additional Appropriations		Net-to-Zero Appropriations
	Gross	GF/GP	Gross
Corrections	\$0	\$0	\$13,064,000
Health & Human Serv.	7,000,000	0	130,425,000
Military and Vet. Aff.	0	0	62,000
Treasury	0	0	102,875
TOTAL	\$7,000,000	\$0	\$143,635,875

Table 2

FY 2022-23 Supplemental Appropriations		
Budget Area/Item	Gross	GF/GP
Judiciary – Increase district court judge salaries	\$495,700	\$495,700
Legislature – ICRC legal costs	1,500,000	1,500,000
TOTAL	\$1,995,700	\$1,995,700

FISCAL IMPACT

The bill would appropriate a net total of \$7.0 million in State restricted funds for FY 2021-22, and \$2.0 million GF/GP for FY 2022-23. Further detail on these is available in the **CONTENT** portion of this analysis.

Date Completed: 11-29-22

Fiscal Analyst: Josh Sefton