

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 27

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2021; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2021, from the following funds:

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APPROPRIATION SUMMARY

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GROSS APPROPRIATION	\$	384,700,000
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Interdepartmental grant revenues:

1	Total interdepartmental grants and	
2	intradepartmental transfers	0
3	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 384,700,000</b>
4	Federal revenues:	
5	Total federal revenues	367,700,000
6	Special revenue funds:	
7	Total local revenues	0
8	Total private revenues	0
9	Total other state restricted revenues	0
10	<b>State general fund/general purpose</b>	<b>\$ 17,000,000</b>
11	<b>Sec. 102. DEPARTMENT OF EDUCATION</b>	
12	<b>(1) APPROPRIATION SUMMARY</b>	
13	<b>GROSS APPROPRIATION</b>	<b>\$ 105,000,000</b>
14	Interdepartmental grant revenues:	
15	Total interdepartmental grants and	
16	intradepartmental transfers	0
17	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 105,000,000</b>
18	Federal revenues:	
19	Total federal revenues	105,000,000
20	Special revenue funds:	
21	Total local revenues	0
22	Total private revenues	0
23	Total other state restricted revenues	0
24	<b>State general fund/general purpose</b>	<b>\$ 0</b>
25	<b>(2) ONE-TIME APPROPRIATIONS</b>	
26	COVID-19 child care public assistance	\$ 105,000,000
27	<b>GROSS APPROPRIATION</b>	<b>\$ 105,000,000</b>
28	Appropriated from:	

1	Federal revenues:		
2	Federal funds		105,000,000
3	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
4	<b>Sec. 103. DEPARTMENT OF HEALTH AND HUMAN</b>		
5	<b>SERVICES</b>		
6	<b>(1) APPROPRIATION SUMMARY</b>		
7	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>260,000,000</b>
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and		
10	intradepartmental transfers		0
11	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>260,000,000</b>
12	Federal revenues:		
13	Total federal revenues		260,000,000
14	Special revenue funds:		
15	Total local revenues		0
16	Total private revenues		0
17	Total other state restricted revenues		0
18	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
19	<b>(2) ONE-TIME APPROPRIATIONS</b>		
20	Hospital COVID-19 grants	\$	160,000,000
21	Long-term care facility supports		100,000,000
22	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>260,000,000</b>
23	Appropriated from:		
24	Federal revenues:		
25	Coronavirus state fiscal recovery fund		260,000,000
26	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
27	<b>Sec. 104. DEPARTMENT OF STATE POLICE</b>		
28	<b>(1) APPROPRIATION SUMMARY</b>		

1	<b>GROSS APPROPRIATION</b>	\$	12,700,000
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and		
4	intradepartmental transfers		0
5	<b>ADJUSTED GROSS APPROPRIATION</b>	\$	12,700,000
6	Federal revenues:		
7	Total federal revenues		2,700,000
8	Special revenue funds:		
9	Total local revenues		0
10	Total private revenues		0
11	Total other state restricted revenues		0
12	<b>State general fund/general purpose</b>	\$	10,000,000
13	<b>(2) SPECIALIZED SERVICES</b>		
14	Secondary road patrol program	\$	2,700,000
15	<b>GROSS APPROPRIATION</b>	\$	2,700,000
16	Appropriated from:		
17	Federal revenues:		
18	Coronavirus state fiscal recovery fund		2,700,000
19	<b>State general fund/general purpose</b>	\$	0
20	<b>(3) ONE-TIME APPROPRIATIONS</b>		
21	Emergency and disaster response and mitigation	\$	10,000,000
22	<b>GROSS APPROPRIATION</b>	\$	10,000,000
23	Appropriated from:		
24	<b>State general fund/general purpose</b>	\$	10,000,000
25	<b>Sec. 105. DEPARTMENT OF TREASURY</b>		
26	<b>(1) APPROPRIATION SUMMARY</b>		
27	<b>GROSS APPROPRIATION</b>	\$	7,000,000
28	Interdepartmental grant revenues:		

1	Total interdepartmental grants and		
2	intradepartmental transfers		0
3	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>7,000,000</b>
4	Federal revenues:		
5	Total federal revenues		0
6	Special revenue funds:		
7	Total local revenues		0
8	Total private revenues		0
9	Total other state restricted revenues		0
10	<b>State general fund/general purpose</b>	<b>\$</b>	<b>7,000,000</b>
11	<b>(2) ONE-TIME APPROPRIATIONS</b>		
12	Wrongful imprisonment compensation fund	\$	7,000,000
13	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>7,000,000</b>
14	Appropriated from:		
15	<b>State general fund/general purpose</b>	<b>\$</b>	<b>7,000,000</b>

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2021 is \$17,000,000.00 and total state spending from state sources to be paid to local units of government is \$10,000,000.00.

Sec. 202. The appropriations made and expenditures authorized under this part and part 1 and the departments, commissions, boards, offices, and programs for which appropriations are made under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

1           Sec. 203. If the state administrative board, acting under  
2 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount  
3 appropriated under this act, the legislature may, by a concurrent  
4 resolution adopted by a majority of the members elected to and  
5 serving in each house, inter-transfer funds within this act for the  
6 particular department, board, commission, office, or institution.

7           Sec. 204. Funds appropriated in part 1 are subject to  
8 applicable federal audit and reporting requirements. Prompt action  
9 shall be taken if instances of noncompliance are identified,  
10 including noncompliance identified in an audit finding. If any  
11 instance of noncompliance is identified, including noncompliance  
12 identified in an audit finding, the state budget director shall  
13 take necessary and immediate action to rectify it. The state budget  
14 director shall notify the senate and house appropriations  
15 committees and the senate and house fiscal agencies when an  
16 instance of noncompliance is identified.

17           Sec. 205. The state budget director shall report on the status  
18 of funds appropriated in part 1, and all funds appropriated related  
19 to the coronavirus relief effort, to the senate and house  
20 appropriations committees and the senate and house fiscal agencies  
21 on a monthly basis until all funds are exhausted.

22  
23       **DEPARTMENT OF EDUCATION**

24           Sec. 301. (1) From the funds appropriated in part 1 for COVID-  
25 19 child care public assistance, the provider reimbursement rates  
26 for child care centers, group home providers, registered family  
27 homes, and licensed exempt providers are increased by 40% from the  
28 provider rates as of September 30, 2020, rounded up to the nearest  
29 \$0.05.

1 (2) Rate increases funded under subsection (1) are effective  
2 from October 1, 2020 to September 30, 2021.

3 Sec. 302. From the funds appropriated in part 1 for COVID-19  
4 child care public assistance, the department shall make payments to  
5 child care providers, beginning on June 28, 2021 and ending on  
6 September 30, 2021, for eligible children in the child development  
7 and care program based on enrollment rather than based on  
8 attendance.

9  
10 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

11 Sec. 401. From the funds appropriated in part 1 for hospital  
12 COVID-19 grants, the department of health and human services shall  
13 provide grants to hospitals in this state to help cover increased  
14 hospital costs and reduced hospital revenue related to the COVID-19  
15 pandemic. The grant to each hospital shall equal each hospital's  
16 percentage of total state Medicaid inpatient claims revenue,  
17 including Medicaid managed care inpatient claims revenue, in the  
18 most recent 12 months for which the information is available  
19 multiplied by the appropriation for hospital COVID-19 grants in  
20 part 1.

21 Sec. 402. (1) From the funds appropriated in part 1 for long-  
22 term care facility supports, the department of health and human  
23 services shall allocate \$100,000,000.00 to provide a \$23.00 per  
24 Medicaid day increase to nursing facilities that have experienced a  
25 5% or greater decline in the nursing facility's average daily  
26 census during the last 3 calendar quarters of the fiscal year  
27 ending September 30, 2021 when compared to the nursing facility's  
28 average daily census as reported in the nursing facility's 2019  
29 Medicaid cost report. A nursing facility may be eligible for

1 reimbursement for 1 or all 3 calendar quarters based on each  
2 nursing facility's change in average daily census by calendar  
3 quarter.

4 (2) Each nursing facility may request from the department of  
5 health and human services the additional \$23.00 per Medicaid day  
6 increase at the end of each calendar quarter. The request must  
7 include the average daily census as reported on the applicable 2019  
8 Medicaid cost report based on total licensed beds, the actual  
9 applicable calendar quarter's average daily census, and a detailed  
10 weekly average daily census for the calendar quarter. The  
11 department of health and human services may request additional  
12 documentation to verify census. The request must also include the  
13 number of Medicaid days of care rendered for the applicable 2021  
14 calendar quarter, including Medicaid integrated care organization  
15 days and healthy Michigan plan days.

16 (3) After receiving the request with all of the applicable  
17 information, the department of health and human services must remit  
18 payment to the nursing facility within 14 days. The department must  
19 reconcile payments under this section by no sooner than 92 days  
20 after September 30, 2021. As a condition of receiving funds  
21 appropriated in this section, the nursing facility must agree to  
22 any appropriate payment or recovery action for any over or under  
23 payment disclosed from this reconciliation process, and the  
24 department of health and human services must report to each nursing  
25 facility whether this reconciliation process identified any over or  
26 under payments.

27  
28 **DEPARTMENT OF STATE POLICE**

29 Sec. 501. The funds appropriated in part 1 for emergency and



- 1 disaster response and mitigation shall be used to cover costs
- 2 related to the June 2021 weather events in this state.