



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 253 (Substitute H-1 as passed by the House)
Sponsor: Senator Dave Hildenbrand
Senate Committee: Appropriations
House Committee: Appropriations

Date Completed: 10-11-17

CONTENT

The bill would provide supplemental appropriations for fiscal year (FY) 2016-17 and FY 2017-18 for various State budget areas. The bill proposes FY 2016-17 Gross appropriations of \$6.6 million, including \$2.0 million of Federal revenue, \$894,700 of local and other State restricted revenue, and \$3.7 million GF/GP. The bill also proposes FY 2017-18 Gross appropriations of \$56.2 million and General Fund/General Purpose (GF/GP) appropriations of \$13.8 million, primarily \$2.0 million for the restoration of items vetoed by the Governor, \$4.3 million for the implementation of sexual assault evidence tracking, and \$5.0 million for voting machines. [Table 1](#) summarizes the appropriations in the bill.

Table 1

Budget Area	Gross	Federal	Local/ Private	Other State Restricted	GF/GP
<u>FY 2016-17</u>					
Military & Vets Affairs	\$2,268,800	\$2,000,000	\$268,800	\$0	\$0
Treasury-Operations	4,327,300	0	0	625,900	3,701,400
TOTAL FY 2016-17	\$6,596,100	\$2,000,000	\$268,800	\$625,900	\$3,701,400
<u>FY 2017-18</u>					
Ag & Rural Development	\$250,000	\$0	\$0	\$0	\$250,000
Attorney General	600,000	0	0	600,000	0
Capital Outlay	100	0	0	0	100
Environmental Quality	1,000,000	0	0	0	1,000,000
Health & Human Services	48,207,200	41,872,700	0	0	6,334,500
Natural Resources	1,026,200	0	0	0	1,026,200
State	5,000,000	0	0	0	5,000,000
State Police	158,900	0	0	0	158,900
TOTAL FY 2017-18	\$56,242,400	\$41,872,700	\$0	\$600,000	\$13,769,700

FISCAL IMPACT

The bill would restore \$2,006,200 of FY 2017-18 Gross and GF/GP State appropriations that had been part of the legislatively approved FY 2017-18 budget, but were vetoed by the Governor. In addition to the restored funds, there are new FY 2017-18 Gross appropriations of \$54.2 million: \$600,000 for the Attorney General's Flint water emergency legal costs; a \$100 construction authorization for Western Michigan University's College of Aviation renovation; \$1.0 million for the Department of Environmental Quality's vapor intrusion program; \$41.9 million of additional Federal funding for the Department of Health and Human Services (DHHS); \$750,000 for the DHHS' Statewide double-up food bucks program; \$700,000 for a genomic opioid abuse demonstration program in DHHS; \$5.0 million in the Department of State for local voting machines; and a total of \$4.3 million in the Departments of Health and Human Services (\$4.1 million) and State Police (\$0.2 million) for the implementation of sexual assault evidence tracking.

The bill would provide \$2.3 million of additional Federal and local funding for FY 2016-17 for the Department of Military and Veterans Affairs. The \$4.3 million FY 2016-17 appropriation for the Department of Treasury would not be funded from new revenue but would reallocate funds from unspent tax processing and information technology appropriations from prior fiscal years. Table 2 compares the details of the appropriations in this bill with those passed by the Senate.

FY 2016-17 BOILERPLATE LANGUAGE SECTIONS

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. 301. Attorney General - Lawsuit Settlement Proceeds Fund. Requires \$6.4 million of unexpended Fund revenue to carry forward into FY 2017-18.

Sec. 302. Attorney General - Lawsuit Settlement Proceeds Fund. Allows expenditure of funds for all expenses related to the Flint drinking water emergency; and requires a detailed report on the expenditure of the funds.

Sec. 401. Treasury - Financial System Replacement. Re-appropriates up to \$4,327,300 remaining in tax processing and information technology accounts, for the implementation of a motor fuel, tobacco tax, and customer services replacement system.

Sec. 402. Treasury - Financial System Replacement. Designates appropriation in Sec. 401 as a work project.

FY 2017-18 BOILERPLATE LANGUAGE SECTIONS

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. 1301. Agriculture and Rural Development - Draft Beer Delivery Systems. Allocates \$150,000 for a grant to a third-party entity for education and training focused on growlers filled for off-premises consumption.

Sec. 1302. Agriculture and Rural Development - Campground Development Grant. Allocates \$100,000 for a grant to Calhoun County to aid in the acquisition and development of property for a campground for visitors to an equestrian center.

Sec. 1331. Attorney General - Lawsuit Settlement Proceeds Fund. Allows expenditure of funds for all expenses related to the Flint drinking water emergency, up to \$2.6 million; allows the Prosecuting Attorneys Coordinating Council to spend up to \$600,000 to upgrade its NextGen case management system; requires \$180,000 to be used for responsibilities under the Federal Bad-Faith Patent Infringement Claims Act; and requires a detailed quarterly report on the expenditure of funds for legal costs related to the Flint drinking water emergency.

Sec. 1351. Capital Outlay - Western Michigan University. States that the College of Aviation renovation project is for a public purpose; authorizes the lease and conveyance of the property to the State Building Authority; and states legislative intent to annually appropriate sufficient amounts to pay the rent.

Sec. 1371. Corrections - Criminal Justice Reinvestment. Replaces enacted language (Sec. 604 in the FY 2017-18 annual appropriation act) to specifically allocate \$600,000 for the Muskegon County jail EXIT program for incarcerated individuals.

Sec. 1401. Health and Human Services - Youth in Transition. Allocates \$280,000 to the Covenant Academies Foundation for housing for students ages 16 to 22 who have previously dropped out or are at risk of not graduating on time; and states legislative intent to provide a third year of funding.

Sec. 1402. Health and Human Services - School Success Partnership Program. Allocates \$75,000 to the Northeast Michigan Community Service Agency for programming that will take place in the Governor's prosperity region 3.

Sec. 1406. Health and Human Services - Primary Care and Dental Health Services. Allocates \$300,000 for clinical services for indigent individuals in the City of Detroit and Wayne County provided by TEAM Cares, a public nonprofit organization.

Sec. 1407. Health and Human Services - Direct Primary Care Pilot Program. Replaces enacted language (Sec. 1913 in the FY 2017-18 annual appropriation act) to reflect adjustments in program eligibility.

Sec. 1408. Health and Human Services - Genomic Opioid Research. Requires the release of appropriated funds to an eligible community mental health services program in Kalamazoo County; and outlines the eligibility requirements.

Sec. 1450. Health and Human Services - Sexual Assault Evidence Tracking System. Allocates \$154,500 to the Michigan Domestic and Sexual Violence Prevention and Treatment Board: \$134,500 for 1.0 FTE position to conduct an annual audit of submission of evidence kits and \$20,000 for health care provider training; and requires a detailed report on audit findings.

Sec. 1451. Health and Human Services - Sexual Assault Evidence Tracking System. Allocates \$4.0 million to contract for development and implementation of a uniform statewide sexual assault evidence kit tracking system; designates the appropriation as a work project; and requires a status report.

Sec. 1601. Department of State - Election Administration and Services. Designates the \$5.0 million appropriation for voting machines as a work project.

Sec. 1701. State Police - Sexual Assault Evidence Tracking System. Allocates \$118,900 for 1.0 FTE position to coordinate the Department's implementation and utilization of the system.

Sec. 1702. State Police - Sexual Assault Evidence Tracking System. Allocates \$20,000 to conduct one statewide training seminar for prosecutors and law enforcement leadership and officers.

Sec. 1703. State Police - Sexual Assault Evidence Tracking System. Requires the Michigan Commission on Law Enforcement Standards to allocate \$20,000 to implement internet-based or regional/in-service training seminars, or a combination of that training.

Enacting Section 1. Repealer.

Attorney General - Lawsuit Settlement Proceeds Fund. Repeals Sec. 314 of Article VIII of Public Act 268 of 2016 (FY 2016-17 General Government annual appropriations), and replaces it with Sec. 302 in this bill, which adds a reporting requirement.

Enacting Section 2. Repealers.

Attorney General - Lawsuit Settlement Proceeds Fund. Repeals Sec. 314 of Article VIII of Public Act 107 of 2017 (FY 2017-18 General Government annual appropriations), and replaces it with Sec. 1331 in this bill, which recognizes the additional \$600,000 appropriated in this bill.

Corrections - Criminal Justice Reinvestment. Repeals Sec. 604 of Article V of Public Act 107 of 2017 (FY 2017-18 Department of Corrections annual appropriations), and replaces it with Sec. 1371 in this bill, which more specifically allocates funds.

Health and Human Services - Direct Primary Care Pilot Program. Repeals Sec. 1913 of Article X of Public Act 107 of 2017 (FY 2017-18 Department of Health and Human Services annual appropriations), and replaces it with Sec. 1407 in this bill, which revises parameters for the Direct Primary Care Pilot Program.

Table 2

FY 2016-17 Supplemental				
Department/Program	Senate-Passed		House-Passed	
	Gross	GF/GP	Gross	GF/GP
Military and Veterans Affairs				
Michigan national guard deployment for disaster relief (Federal)	\$2,000,000	\$0	\$2,000,000	\$0
Michigan youth challenge academy (school district revenue)	268,800	0	268,800	0
Total Military and Veterans Affairs	\$2,268,800	\$0	\$2,268,800	\$0
Treasury-Operations				
Replace motor fuel/tobacco tax/customer IT systems; fund from unspent tax processing and IT revenue	\$4,327,300	\$3,701,400	\$4,327,300	\$3,701,400
Total Treasury-Operations	\$4,327,300	\$3,701,400	\$4,327,300	\$3,701,400
Total FY 2016-17 Supplemental Appropriations	\$6,596,100	\$3,701,400	\$6,596,100	\$3,701,400
FY 2017-18 Supplemental				
Department/Program	Senate-Passed		House-Passed	
	Gross	GF/GP	Gross	GF/GP
Agriculture and Rural Development				
Draft beer delivery system education/training	\$150,000	\$150,000	\$150,000	\$150,000
Calhoun County campground development grant	100,000	100,000	100,000	100,000
Total Agriculture and Rural Development	\$250,000	\$250,000	\$250,000	\$250,000
Attorney General				
Flint water emergency legal costs (lawsuit settlement fund)	\$0	\$0	\$600,000	\$0
Total Attorney General	\$0	\$0	\$600,000	\$0
Capital Outlay				
WMU aviation college construction authorization	\$100	\$100	\$100	\$100
Total Capital Outlay	\$100	\$100	\$100	\$100
Environmental Quality				
Vapor intrusion program	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total Environmental Quality	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

FY 2017-18 Supplemental				
Department/Program	Senate-Passed		House-Passed	
	Gross	GF/GP	Gross	GF/GP
Health and Human Services				
Medicaid information system grant (Federal)	\$0	\$0	\$20,000,000	\$0
State targeted response to opioid crisis (Federal)	0	0	16,372,700	0
Statewide sexual assault evidence kit tracking system	0	0	4,000,000	4,000,000
Housing and support services (Federal)	0	0	2,000,000	0
Mental health block grant funds (Federal)	0	0	2,000,000	0
Public health laboratory grant (Federal)	0	0	1,500,000	0
Statewide double-up food bucks	750,000	750,000	750,000	750,000
Genomic opioid abuse demonstration program	0	0	700,000	700,000
TEAM cares primary care and dental clinics	300,000	300,000	300,000	300,000
Covenant academies foundation	280,000	280,000	280,000	280,000
Sexual assault evidence kit audit/training (1.0 FTE)	0	0	154,500	154,500
Pathways to potential program veto restoration	75,000	75,000	75,000	75,000
Northeast Michigan school success partnership	75,000	75,000	75,000	75,000
Total Health and Human Services	\$1,480,000	\$1,480,000	\$48,207,200	\$6,334,500
Natural Resources				
Bay City state recreation area playscape	\$400,000	\$400,000	\$400,000	\$400,000
Onaway state park pavilion reconstruction	400,000	400,000	400,000	400,000
Snowmobile local grants	226,200	226,200	226,200	226,200
Total Natural Resources	\$1,026,200	\$1,026,200	\$1,026,200	\$1,026,200
State				
Voting machines final installment	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Total State	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
State Police				
Implement sexual assault evidence tracking (1.0 FTE)	\$0	\$0	\$158,900	\$158,900
Total State Police	\$0	\$0	\$158,900	\$158,900
Total FY 2017-18 Supplemental Appropriations	\$8,756,300	\$8,756,300	\$56,242,400	\$13,769,700

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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.