

FY 2013-14 SUPPLEMENTAL APPROPRIATIONS
Summary: Conference Report
Senate Bill 608 (S-3) CR-1**



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Appropriation Summary

Budget Area		*FY 2013-14 Year-to-Date Appropriations	FY 2013-14 Supplemental Change	Percent Change
Capital Outlay	Gross	\$0	\$500	--
	GF/GP	0	500	--
Community Health	Gross	16,934,553,600	(399,182,600)	(2.4)
	GF/GP	2,747,583,600	95,826,600	3.5
Corrections	Gross	2,032,434,600	14,671,800	0.7
	GF/GP	1,958,053,600	14,671,800	0.7
Education	Gross	298,366,000	5,286,000	1.8
	GF/GP	70,893,900	0	0.0
Environmental Quality	Gross	517,168,800	50,000	0.0
	GF/GP	29,104,500	50,000	0.2
Executive Office	Gross	5,370,000	170,000	3.2
	GF/GP	5,370,000	170,000	3.2
Human Services	Gross	6,018,383,400	30,362,300	0.5
	GF/GP	1,003,000,000	6,950,000	0.7
Judiciary	Gross	283,414,100	1,400,000	0.5
	GF/GP	183,441,300	750,000	0.4
Licensing and Regulatory Affairs	Gross	502,918,700	0	0.0
	GF/GP	25,004,900	0	0.0
Military and Veterans Affairs	Gross	166,730,000	10,400,000	6.2
	GF/GP	46,503,300	10,400,000	22.4
Natural Resources	Gross	343,138,900	3,260,000	1.0
	GF/GP	25,436,600	1,350,000	5.3
State	Gross	219,548,900	317,000	0.1
	GF/GP	15,253,400	317,000	2.1
State Police	Gross	606,819,000	6,660,000	1.1
	GF/GP	353,474,300	3,310,000	0.9
Technology, Management & Budget: Operations	Gross	932,235,000	527,900	0.1
	GF/GP	150,647,200	507,000	0.3
Technology, Management & Budget: SBA Rent	Gross	258,570,600	(23,935,300)	(9.3)
	GF/GP	258,570,600	(23,935,300)	(9.3)
Transportation	Gross	3,599,116,700	227,028,900	6.3
	GF/GP	121,300,000	215,300,000	177.5
Treasury: Operations	Gross	498,233,500	13,699,100	2.7
	GF/GP	89,803,300	1,500,000	1.7
Treasury: Michigan Strategic Fund	Gross	1,008,273,900	6,891,000	0.7
	GF/GP	218,163,900	2,390,100	1.1
Treasury: Revenue Sharing	Gross	1,133,857,700	0	0.0
	GF/GP	0	0	--
TOTAL (All budget areas)	Gross	\$51,051,221,300	(\$102,393,300)	(0.2)
	GF/GP	9,193,657,200	329,557,700	3.6

*Includes appropriation adjustments contained in 2013 PA 107 that will become effective in March 2014

Overview

Senate Bill 608 (S-3) CR-1** contains supplemental appropriation adjustments to multiple budget areas for FY 2013-14. In sum, these adjustments would reduce Gross appropriations in the state budget by a net \$102.4 million, while increasing GF/GP appropriations by \$329.6 million. The largest adjustments are as follows:

- 1) A Gross reduction of \$440.7 million and GF/GP increase of \$80.0 million in the Community Health and Corrections budgets to account for delayed implementation of and other adjustments related to the Healthy Michigan Plan (Medicaid Expansion). Additionally, the bill provides a positive GF/GP adjustment of up to \$25.0 million for non-Medicaid Community Mental Health costs to reflect a revised savings estimate.
- 2) An appropriation of \$100.0 million GF/GP for special winter road maintenance by the state, counties, cities, and villages in the Transportation budget.
- 3) An appropriation of \$115.0 million GF/GP for priority road projects in the Transportation budget.

Other appropriation and boilerplate priorities initiated by the State Budget Office (SBO) and/or Legislature and included in the bill are identified below.

<u>FY 2013-14 Supplemental Appropriation Items</u>	Conference Supplemental Change
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CAPITAL OUTLAY

1. Saginaw Valley State University - Wickes Hall Renovations	Gross	\$100
Provides construction authorization for Saginaw Valley State University - Wickes Hall renovations. Total project cost is \$8.0 million. University share is \$2.0 million; state share is \$6.0 million. Planning authorization was provided in PA 102 of 2013. Project involves renovation of 115,260 sq. ft. of building space, replacement of mechanical, electrical, and plumbing systems, and architectural changes as required to realize needed operational efficiencies in the building. Building serves as university's main student services and administration facility and houses Admissions, Financial Aid, Registrar, Student Financial Services, Student Advising, Career Services, Cashier, International Programs, president, vice presidents, deans, Human Resources, main computer center, computer labs, and academic classrooms. Funding for university's share of project costs will be made available through general revenue bonds, private contributions, and/or other unrestricted university funds. First year of SBA rent would be appropriated in DTMB section below. The construction authorization was approved at the February 19, 2014 Joint Capital Outlay subcommittee meeting. (SBO Request 2014-4)	GF/GP	\$100
2. Kalamazoo Valley Community College - Healthy Living Campus	Gross	\$100
Provides construction authorization for Kalamazoo Valley Community College - Healthy Living Campus. Total project cost is \$25.6 million. College share is \$19.6 million; state share is \$6.0 million. Planning authorization was provided in PA 102 of 2013. Total recommended cost for the project decreased from the original planning authorization by \$3.9 million due to the removal of the food production and distribution facility from the scope of the state-funded project in order to limit state support to academic programs at culinary and allied health facility. Project involves construction of a new 76,400 sq. ft. facility in downtown Kalamazoo to support curriculum in culinary and allied health. Project is an expansion/revision of the previously proposed culinary institute. Additionally, college received \$2.0 million grant in FY 2013-14 Michigan Strategic Fund budget to support project. First year of SBA rent would be appropriated in DTMB section below. The construction authorization was approved at the February 19, 2014 Joint Capital Outlay subcommittee meeting. (SBO Request 2014-4)	GF/GP	\$100
3. Macomb Community College - South Campus C-Building Renovation	Gross	\$100
Provides construction authorization for Macomb Community College - South Campus C-Building renovation. Total project cost is \$8.5 million. College share is \$4.3 million; state share is \$4.3 million. Planning authorization was provided in PA 102 of 2013. Project involves renovation of the C-Building, a 59,775 sq. ft. general classroom at the South Campus in Warren. The building will be renovated to accommodate business administration, information technology, humanities, and health programs. The structure will house general classroom space, computer labs, and campus offices. Project involves upgraded classrooms, office relations, new student meeting areas, energy efficiency upgrades, roof, replacement of mechanical and electrical systems, and upgrades in technology. First year of SBA rent would be appropriated in DTMB section below. The construction authorization was approved at the February 19, 2014 Joint Capital Outlay subcommittee meeting. (SBO Request 2014-4)	GF/GP	\$100

**Conference
Supplemental
Change**

FY 2013-14 Supplemental Appropriation Items

4. Muskegon Community College - Science Laboratory Center

Provides construction authorization for Muskegon Community College - Science Laboratory Center. Total project cost is \$9.6 million. College share is \$5.0 million; state share is \$4.6 million. Planning authorization was provided in PA 102 of 2013. Project cost was revised upward by \$306,300 since receiving planning authorization and will be entirely supported by the college. Project involves construction of new 19,600 sq. ft. Science Laboratory Center and renovation of the life and physical science laboratories (16,781 sq. ft.). Structure would be two stories and house astronomy, biology, chemistry, physics, physical science, and geology. Funding for college's share of project costs will be made available from the college's plant fund in addition to grants and donations. First year of SBA rent would be appropriated in DTMB section below. The construction authorization was approved at the February 19, 2014 Joint Capital Outlay subcommittee meeting. (SBO Request 2014-4)

Gross \$100
GF/GP \$100

5. Southwestern Michigan College - Science and Allied Health Labs, Classrooms, and Related Renovations

Provides construction authorization for Southwestern Michigan College - Science and Allied Health labs, classrooms, and related renovations. Total project cost is \$8.6 million. College share is \$4.9 million; state share is \$3.8 million. Planning authorization was provided in PA 102 of 2013. Project cost is \$1.1 million more than at the time of planning authorization and will be entirely supported by the college. Project involves renovation of two identical single-story, 23,620 sq. ft. buildings on the Dowagiac campus. The William P.D. O'Leary building will be renovated into a new science and allied health building and the Foster W. Daugherty Building will be renovated into a general purpose classroom building. Project involves replacement of electrical service, plumbing, HVAC, upgrades in technology, and renovations required for ADA compliance issues. College currently has required matching funds. First year of SBA rent would be appropriated in DTMB section below. The construction authorization was approved at the February 19, 2014 Joint Capital Outlay subcommittee meeting. (SBO Request 2014-4)

Gross \$100
GF/GP \$100

COMMUNITY HEALTH

6. Healthy Michigan Plan Adjustments

Adjusts the appropriations included in PA 107 of 2013 to reflect the number of months the enacted changes are expected to be in effect. The FY 2013-14 budgetary adjustments in PA 107 were based on an effective date of January 1, 2014, or nine months (January - September). Because the act is not expected to take effect until April 1, 2014, the proposed supplemental appropriations reverse the first three months to reflect an April - September enrollment period. Also increases federal authorization for expansion-related administrative costs by \$40.0 million; PA 107 included \$20.0 million federal and \$20.0 million GF/GP for administration. The increase is necessary based on (1) an additional review of the work required for changes included in PA 107 and (2) new information about available federal match rates, which, in the aggregate, will be higher than the conventional 50/50 rate for Medicaid administration. (SBO Request 2014-1)

Gross (\$455,377,400)
Federal (515,413,300)
Restricted (5,224,400)
GF/GP \$65,260,300

7. Community Mental Health (CMH) Non-Medicaid Services Funding Increase

Increases funding for the CMH non-Medicaid Services by \$25.0 million to reflect a revised estimate of savings. Of the \$25.0 million, \$13.0 million is proposed for the regular Community Mental Health Non-Medicaid Services line item. The remaining \$12.0 million is proposed for a new line, Community Mental Health Non-Medicaid Services - Contingent Reserve. Accompanying boilerplate stipulates that the Contingent Reserve portion may not be expended until the State Budget Director has approved an expenditure plan prepared by the Department of Community Health documenting that the funds are needed to maintain direct services to eligible clients. (SBO Request 2014-4 with additional legislatively initiated funding)

Gross \$25,000,000
GF/GP \$25,000,000

8. Hospice Services

Increases the Hospice Services line by \$2.2 million GF/GP to replace federal reimbursements that are no longer available to non-nursing home facilities. (Legislatively initiated)

Gross \$2,200,000
GF/GP \$2,200,000

9. Outpatient Uncompensated DSH Pool Increase

Includes an increase of \$19.0 million Gross (\$6.4 million state restricted) to the Hospital Services and Therapy line item for additional payments to be made from the outpatient uncompensated care disproportionate share hospital (DSH) pool. The state match provided is hospital quality assurance assessment program (QAAP) revenue. This special pool reimburses hospitals for a portion of their uncompensated care. There is prior year federal DSH allotment available to effect this increase. The current year appropriation is \$60.0 million Gross. (Legislatively initiated)

Gross \$19,000,000
Federal 12,566,600
Restricted 6,433,400

<u>FY 2013-14 Supplemental Appropriation Items</u>		<u>Conference Supplemental Change</u>
10. Infant Mortality Research and Treatment Center		
Includes an increase of \$10 million Gross (\$3.4 million GF/GP) for half-year costs of infant mortality prevention services at Hutzel Women's Hospital. Associated language indicates that FY 2013-14 is the final year of this GF/GP payment. <i>(Legislatively-initiated)</i>	Gross	\$9,994,800
	Federal	6,628,500
	GF/GP	\$3,366,300
CORRECTIONS		
11. Healthy Michigan Plan Adjustments – Three-Month Delay		
Adjusts the appropriation included in PA 107 of 2013 to reflect the number of months the enacted changes are expected to be in effect. The FY 2013-14 budgetary adjustments in PA 107 were based on an effective date of January 1, 2014, or nine months (January - September). Because the act is not expected to take effect until April 1, 2014, the proposed supplemental appropriation reverses the first three months to reflect an April - September enrollment period. <i>(SBO request 2014-1)</i>	Gross	\$8,070,700
	GF/GP	\$8,070,700
12. Healthy Michigan Plan Adjustments – Sex Offender and Substance Abuse Services		
Appropriates funding to restore Healthy Michigan Plan savings taken in the FY 2013-14 budget that will not be achieved. A three-quarter year savings of \$24.2 million GF/GP was built into the FY 2013-14 budget, but it has since been determined that certain costs relative to treatment of sex offender and substance abuse disorders will not be eligible for Medicaid reimbursement. As a result, a portion of the savings originally taken needs to be restored. The level of substance abuse and sex offender services required by the department and the Parole Board cannot be met through programs that are reimbursed through Medicaid. <i>(SBO request 2014-4)</i>	Gross	\$6,601,100
	GF/GP	\$6,601,100
EDUCATION		
13. Child Development and Care (CDC)		
Includes a \$3.5 million increase in federal funds for the Child Development and Care (CDC) program to increase the maximum allowable reimbursable hours for subsidized child care from 80 hours to 90 hours in a two-week period. This represents partial year funding to implement proposed changes in FY 2013-14. Also includes an additional \$1.8 million in federal revenue authorization for the CDC program to reimburse high quality childcare providers at higher hourly rates per a tiered reimbursement system, as defined by the Great Start to Quality provider rating system. This represents partial year funding to implement proposed changes in FY 2013-14. <i>(SBO request 2014-4)</i>	Gross	\$5,286,000
	Federal	5,286,000
ENVIRONMENTAL QUALITY		
14. Beach/Water Quality Monitoring Program		
Includes additional \$50,000 GF/GP funding for the Beach Water Quality Monitoring Program which provides federal funds to local health departments for beach monitoring activities. <i>(Legislatively-initiated)</i>	Gross	\$50,000
	GF/GP	\$50,000
EXECUTIVE OFFICE		
15. Office for New Americans		
Includes \$170,000 GF/GP for a new Office for New Americans that would assist in attracting high-skilled immigrants to Michigan. <i>(SBO Request 2014-4)</i>	Gross	\$170,000
	GF/GP	\$170,000
HUMAN SERVICES		
16. Disability Determination Operations		
Provides \$500,000 Gross (\$0 GF/GP) based on final federal Social Security Administration appropriations and hiring allocations. <i>(SBO request 2014-4)</i>	Gross	\$500,000
	Federal	500,000
17. Foster Futures College Scholarship Program		
Provides \$600,000 in TANF to offset \$600,000 in other federal revenues that cannot be claimed for the Foster Futures College Scholarship Program. <i>(SBO request 2014-4)</i>	Gross	\$0
	Federal	(600,000)
	TANF	600,000
18. Low-Income Home Energy Assistance Program (LIHEAP)		
Provides \$22.9 million Gross (\$0 GF/GP) for the LIHEAP program. Adjustment aligns the line based on actual federal allocations and also includes \$2.9 million in private funding from a federal settlement against DTE. Settlement requires DTE to provide engorgement fees plus interest to the state agency responsible for low-income energy assistance. Of the increase, \$7.0 million is dedicated for deliverable fuel payments to address the statewide propane shortage. <i>(SBO request 2014-5)</i>	Gross	\$22,912,300
	Federal	19,975,200
	Private	2,937,100

FY 2013-14 Supplemental Appropriation Items		Conference Supplemental Change
19. Child Care Fund		
Provides \$2.5 million GF/GP for the state to pay 100% of the private child placing agency administrative rates for new cases entering care, rather than the state and counties sharing the costs for these rates under certain circumstances through the Child Care Fund. SBO request 2014-4 appropriates the funding within the Foster Care Payments line item rather than the Child Care Fund. <i>(Legislatively initiated)</i>	Gross GF/GP	\$2,500,000 \$2,500,000
20. Parent to Parent		
Provides \$200,000 GF/GP for Parent to Parent program provided by the Adoptive Family Support Network. SBO request 2014-4 utilizes federal TANF instead of GF/GP. <i>(Legislatively initiated)</i>	Gross GF/GP	\$200,000 \$200,000
21. Youth in Transition Pilot Program		
Provides \$250,000 GF/GP for a three-year pilot program with a Detroit-based nonprofit agency to serve 25 youth who are aging out of the foster care system. <i>(Legislatively-initiated)</i>	Gross GF/GP	\$250,000 \$250,000
22. Deliverable Fuels Crisis Assistance		
Provides \$4.0 million GF/GP for deliverable fuel crisis assistance that accrue from January 1, 2014 to March 31, 2014 for individuals whose income is between 150% of federal poverty and 60% of state medial income. <i>(Senate-initiated)</i>	Gross GF/GP	\$4,000,000 \$4,000,000
JUDICIARY		
23. Michigan Indigent Defense Commission		
Appropriates initial funding for implementation of the Michigan Indigent Defense Commission (MIDC), which was established under PA 93 of 2013. The MIDC was created as an autonomous entity in the Judicial branch to develop and oversee the implementation, enforcement, and modification of minimum standards, rules, and procedures to ensure that indigent criminal defense services are consistently delivered to all indigent adults throughout the state. The MIDC is charged with hiring an executive director and the appropriate number of staff needed to accomplish the purpose of the MIDC. The \$750,000 appropriation will cover salary and benefit costs for 4.0 FTE positions, and costs of rent, travel, and contractual services, supplies, and materials. <i>(SBO request 2014-1)</i>	FTEs Gross GF/GP	4.0 \$750,000 \$750,000
24. Regionalization and Expansion of Specialty Courts		
Includes authorization to receive additional federal revenue being made available for drug treatment courts, regionalization and expansion of driving while intoxicated/sobriety courts, and for evaluation of the ignition interlock program. <i>(SBO request 2014-4)</i>	Gross Federal	\$650,000 650,000
LICENSING AND REGULATORY AFFAIRS		
25. Medical Marihuana		
Unappropriates and reappropriates \$3.0 million in funding in order to allow for revision of boilerplate language (see Sec. 501). <i>(Legislatively initiated)</i>	Gross Restricted	\$0 0
MILITARY AND VETERANS AFFAIRS		
26. Grand Rapids Veterans' Home – Chiller System		
Adds \$1.2 million GF/GP to replace one of the two 322-ton centrifugal water chillers that serves as the cooling system for the Grand Rapids Veterans' Home. The home's facilities are served by two chillers, both of which date to 1987, although one of those chillers become inoperable in August 2013. <i>(SBO Request 2014-4)</i>	Gross GF/GP	\$1,200,000 \$1,200,000
27. Veterans Service Delivery Initiative (One-Time)		
Adds \$2.0 million GF/GP in one-time funding for activities related to the several Veterans Service Organizations (VSOs). This includes additional money to provide training to VSO service officers to better ensure compliance with new grant requirements and performance standards. Also provides funding to the VSOs to establish "resource navigators" at colleges and universities to provide outreach on the various services, resources, and benefits that are available to veterans. <i>(SBO Request 2014-4)</i>	Gross GF/GP	\$2,000,000 \$2,000,000
28. Armory Maintenance		
Provides \$7.2 million GF/GP for National Guard armory maintenance. <i>(Pull forward from FY 2014-15 Executive Budget)</i>	Gross GF/GP	\$7,200,000 \$7,200,000

FY 2013-14 Supplemental Appropriation Items

NATURAL RESOURCES

29. Munising Bayshore Marina	Gross	\$1,500,000
Includes \$1.5 million federal funding to facilitate a federal grant. Funding will be used to extend existing L-dock, construct a revetment wall to protect shoreline, and add a floating pier with slips for boaters seeking safe harbor. This appropriation would supplement existing funding for marina of \$437,400 State Waterways Fund authorized in 2013 PA 59 for extension of the east breakwall. (SBO Request 2014-4)	Federal	1,500,000

30. Local Infrastructure Improvements	Gross	\$330,000
Includes additional \$330,000 in restricted funding from the State Waterways Fund to support additional grants to local boating facilities. This appropriation would supplement \$773,000 existing restricted funding for local grants in current year. (SBO Request 2014-4)	Restricted	330,000

31. South Higgins State Park Improvements	Gross	\$80,000
Provides \$80,000 in private funding for a boat washing station to be added to the existing state boating access redevelopment project at the South Higgins Lake State Park authorized in 2013 PA 59. Current project has \$749,100 Waterways Fund authorization. Additional private funding provided by the Higgins Lake Foundation. (SBO Request 2014-4)	Private	80,000

32. Fort Holmes (Mackinac Island) Restoration Project	Gross	\$250,000
Includes \$250,000 GF/GP to help rebuild Fort Holmes, a British Fort that was built in 1814 on Mackinac Island. Total cost of the project is estimated to be \$500,000. (Pull forward from FY 2014-15 Executive Budget)	GF/GP	\$250,000

33. Kawkawlin Dredging Project	Gross	\$1,100,000
Includes \$1.1 million GF/GP for dredging and restoration activities in the Kawkawlin River. (Legislatively-initiated)	GF/GP	\$1,100,000

STATE

34. Interlock Violation Processing	Gross	\$200,000
Provides \$200,000 in one-time GF/GP funding for purchase of a system for electronic processing of interlock violations. (SBO request 2014-4)	GF/GP	\$200,000

35. Late Fee Reimbursements	Gross	\$117,000
Provides \$117,000 in one-time GF/GP funding to reimburse late filing fees imposed between January 1, 2010 and July 3, 2012, and which under 2012 PA 277 must be reimbursed upon appropriation if all other required campaign statements were timely filed. (SBO request 2014-4)	GF/GP	\$117,000

STATE POLICE

36. State Emergency Center Operations and Preparedness	Gross	\$2,310,000
Appropriates \$2.3 million GF/GP to provide local units affected by the April-May 2013 flooding with half of the 25% local match required to receive disaster recovery funds from the Federal Emergency Management Agency (FEMA) for damages sustained by public facilities made available after the presidential disaster declaration. Initial estimates for federal Public Assistance funds for the affected local units total \$18.5 million, with a 75%/25% federal/local share. Historically, the state has picked up half of the required local match. State-incurred damage was not significant and can be met within existing resources. Sec. 703(8) of the FY 2013-14 State Police (MSP) budget provides "receive and expend" authority, which authorizes MSP to receive the matched federal funds for distribution to the affected local units without requiring a specific supplemental appropriation. The 16 affected counties are Allegan, Barry, Baraga, Gogebic, Houghton, Ionia, Kent, Keweenaw, Marquette, Midland, Muskegon, Newaygo, Ontonagon, Osceola, Ottawa, and Saginaw. (SBO Request 2014-1)	GF/GP	\$2,310,000

37. NTIA – State and Local Implementation Grant Program	Gross	\$3,350,000
Authorizes the receipt and expenditure of a \$3.3 million grant received from the National Telecommunications Information Administration (NTIA) for planning for the establishment of a nationwide public safety broadband network. This initial grant focuses on governance, planning, outreach, education, and strategy development. Funding will be used to update the state's Statewide Communication Interoperability Plan (SCIP) to more specifically address emergency communication needs and the development of a nationwide public safety broadband network. (SBO Request 2014-4)	Federal	3,350,000

<u>FY 2013-14 Supplemental Appropriation Items</u>		Conference Supplemental Change
38. Tree Damage/Debris Mitigation	Gross	\$1,000,000
Appropriates \$1.0 million GF/GP to municipalities to mitigate tree-related damage and debris due to the ice storm of December 22 and 23, 2013. <i>(Legislatively-initiated)</i>	GF/GP	\$1,000,000
TECHNOLOGY, MANAGEMENT & BUDGET: OPERATIONS		
39. Transfer State Building Authority to Treasury	FTEs	(4.0)
Removes funding and FTEs for State Building Authority and deletes associated boilerplate from the Department of Technology, Management & Budget (DTMB) budget, consistent with Executive Order 2013-8, which transferred the State Building Authority from DTMB to the Department of Treasury. There is a corresponding change to add the funding and boilerplate to the Treasury budget. <i>(SBO Request 2014-1)</i>	Gross Restricted	(\$699,100) (699,100)
40. Military Retirement	Gross	\$507,000
Supplemental Request 2014-1 provides \$400,000 GF/GP for the costs of PA 99 of 2013, which returned the Adjutant General and Assistant Adjutant General to the defined benefit retirement system and reversed PA 255 of 2010, which had placed those appointees hired after January 1, 2011 into the state's defined contribution plan. The funds would cover the estimated additional FY 2013-14 costs of prefunding those retirements under PA 99 of 2013. In addition, Supplemental Request 2014-4 provides \$107,000 to meet higher-than-anticipated costs of the overall military retirement system, which DTMB's Office of Retirement Services started administering on October 1, 2012. <i>(SBO Requests 2014-1 and 2014-4)</i>	GF/GP	\$507,000
41. Professional Development Program	Gross	\$720,000
Provides \$720,000 IDG authorization for ongoing costs of employee training and services under negotiated contract with UAW. <i>(SBO Request 2014-4)</i>	IDG	720,000
TECHNOLOGY, MANAGEMENT & BUDGET: SBA RENT		
42. State Building Authority (SBA) Rent Payments	Gross	(\$26,400,000)
Includes \$26.4 million reduction in State Building Authority (SBA) rents, reflecting overall reduction in obligations. <i>(SBO request 2014-4)</i>	GF/GP	(\$26,400,000)
43. Construction Authorizations First Year SBA Financing	Gross	\$2,464,700
Provides first year of SBA financing (\$2.5 million GF/GP) for the five community college and university construction authorizations. See Capital Outlay section above for further information. <i>(SBO Request 2014-4)</i>	GF/GP	\$2,464,700
TRANSPORTATION		
44. Rail Operations and Infrastructure	Gross	\$11,728,900
Recognizes federal Transportation Investment Generating Economic Recovery (TIGER) grant, and associated state restricted Comprehensive Transportation Fund matching funds, for capital improvements on state-owned Dearborn-Kalamazoo Amtrak route aimed at increasing speeds up to 110 MPH. <i>(SBO request 2014-4)</i>	Federal Restricted	9,383,100 2,345,800
45. Special Winter Road Maintenance	Gross	\$100,000,000
Appropriates \$100.0 million GF/GP for special winter road maintenance by state, county road commissions, and cities/villages. Funds to be distributed via PA 51 formula: 39.1% to the State Trunkline Fund, 39.1% to county road commissions, 21.8% to cities and villages. Funds are specifically designated for maintenance costs. <i>(Legislatively initiated)</i>	GF/GP	\$100,000,000
46. Priority Road Investment Program	Gross	\$115,000,000
Appropriates \$115.0 million GF/GP for priority road projects. <i>(Legislatively initiated)</i>	GF/GP	\$115,000,000
47. Beaver Island Transportation Authority	Gross	\$300,000
Intended to reimburse Beaver Island Transportation Authority for costs associated with repair of ferry to Beaver Island, the Emerald Isle, in July 2013. <i>(SBO request 2014-4)</i>	GF/GP	\$300,000
TREASURY - OPERATIONS		
48. State Building Authority	FTEs	4.0
Includes \$699,100 Gross (\$0 GF/GP) and 4.0 FTEs for State Building Authority (SBA) administrative and operating costs. Under Executive Order 2013-8, the SBA was moved from the Department of Technology, Management, and Budget to the Department of Treasury. There is a corresponding negative appropriation adjustment in the DTMB budget. <i>(SBO Request 2014-1)</i>	Gross Restricted	\$699,100 699,100

<u>FY 2013-14 Supplemental Appropriation Items</u>		Conference Supplemental Change
49. Convention Facility Development Fund		Gross \$11,500,000
Provides \$11.5 million Gross (\$0 GF/GP) in additional authorization due to expected increase in revenue collected to be distributed to all 83 counties. Revenues to be distributed have exceeded the budget authorization and increased authorization is necessary to allow for all funds to be statutorily distributed back to all 83 counties. (SBO Request 2014-4)	Restricted	11,500,000
50. Allow Credit/Debit Cards for Individual Income Taxes		Gross \$1,500,000
Provides \$1.5 million GF/GP to implement a program to accept credit card payments for individual income tax payers. Funding would support IT work necessary to be functional by the end of FY 2013-14. (Pull forward from FY 2014-15 Executive Budget)	GF/GP	\$1,500,000
TREASURY - MICHIGAN STRATEGIC FUND		
51. Blight Elimination		Gross \$3,700,000
Provides \$3.7 million Gross (\$0 GF/GP) to support blight elimination, demolition, and restoration programs in the State of Michigan. Funding would be supported with HARP lapse funding originally appropriated in PA 296 of 2012. (Legislatively initiated)	Restricted	3,700,000
52. Home Affordable Refinance Program (HARP)		Gross \$801,000
Provides \$801,000 Gross (\$0 GF/GP) to support HARP grants. HARP assists persons current on mortgage payments with obtaining refinancing that they might not otherwise qualify for due to a decline in the value of their home. Grant funding would be used to support closing costs associated with mortgage refinancing. Funding would be supported with HARP lapse funding originally appropriated in PA 296 of 2012. (Legislatively initiated)	Restricted	801,000
53. Detroit Rouge Park Improvements		Gross \$300,000
Provides \$300,000 GF/GP for improvements at River Rouge Park in City of Detroit. (Legislatively initiated)	GF/GP	\$300,000
54. Land Bank Fast Track Authority		Gross \$1,750,000
Includes \$1.8 million GF/GP to support Land Bank Fast Track Authority operations, including property management, maintenance, and conveyance, and quiet title services. (SBO Request 2014-1)	GF/GP	\$1,750,000
55. Public/Private Partnership for P20 Education Hub		Gross \$100
Includes placeholder appropriation for curriculum development and research; lab and training equipment; operations and expenses; and legal, accounting, architects, engineers, and regulatory compliance for a new public school academy at the Steelcase pyramid building in Grand Rapids. (Legislatively-initiated)	GF/GP	\$100
56. Detroit Pre-College Science and Engineering Program		Gross \$340,000
Provides \$340,000 GF/GP to support a grant to the Detroit Area Pre-College Engineering Program. (Legislatively-initiated)	GF/GP	\$340,000
TREASURY – REVENUE SHARING		
57. Economic Vitality Incentive Program (EVIP)/ Count Incentive Program (CIP)		Gross \$0
Unappropriates and reappropriates all appropriations for EVIP and CIP (\$265.0 million total) in order to make minor changes to associated boilerplate requirements (see Sec. 808). (Legislatively initiated)	Restricted	0

FY 2013-14 Supplemental Boilerplate Items

CAPITAL OUTLAY

Sec. 281. Public Purpose, Lease and Conveyance, and Annual Appropriation – Project Construction Authorizations

States that the legislature determines the leasing of SBA-financed facilities that are for a public purpose under the State Building Authority Act of 1964, approves and authorizes the lease and conveyance of property to the SBA and from the SBA to state and educational institutions, as applicable, executed by the Governor and Secretary of State on behalf of the state, and specifies intent of the legislature to annually appropriate sufficient amounts to pay rent obligations pursuant to the lease. (SBO Request 2014-4)

FY 2013-14 Supplemental Boilerplate Items

Sec. 282. State Emergency Operations Center Project Cost/Scope Increase

Authorizes the state to increase the cost and scope of its State Emergency Operations Center Project authorized for construction in PA 102 of 2013. As originally authorized, the facility consisted of a new 27,200 sq. ft. facility and renovations to 51,800 sq. ft. of the General Office Building at the Secondary Complex in Dimondale at a cost of \$19.0 million (\$17.0 million state share/\$2.0 million federal share). The state requested that the scope of the project be increased by 5,300 sq. ft. and \$3.1 million Gross (\$2.5 million Federal/\$575,000 GF/GP) with the increase entirely funded by Department of Military and Veterans Affairs FY 2013-14 appropriations. Specifically, the project scope would incorporate the installation of a Sensitive Compartmented Information Facility (SCIF) into the new facility. The SCIF would allow military and state police shared access to a pre-fabricated modular system certified by the U.S. Department of Defense for secure classified communications. The cost and scope increase was approved at the February 19, 2014 Joint Capital Outlay Subcommittee meeting. *(SBO request 2014-4)*

Sec. 283. Jackson Community College – Bert Walker Hall Renovations Cost/Scope Reduction

Authorizes Jackson Community College to decrease the cost and scope of its Bert Walker Hall Renovations project which was authorized for construction in PA 192 of 2012. As originally authorized, the project included the renovation of 57,000 sq. ft. and the addition of 29,750 sq. ft. to the Bert Walker Hall on the Jackson campus. The project had a cost of \$19.5 million (\$9.8 million state share/\$9.8 million college share). The college requested decreasing the size of the addition from 29,750 sq. ft. to 13,444 sq. ft. The reduction would be accomplished by decreasing the size of the open study area, consolidating office suites, and aligning classroom space with class enrollments. The cost reduction of \$4.3 million would be spread equally between the state and the college. Total cost under the revised plan would be \$15.2 million (\$7.6 million state share/\$7.6 million college share). The cost and scope decrease was approved at the February 19, 2014 Joint Capital Outlay Subcommittee meeting. *(10/25/13 SBO Letter)*

COMMUNITY HEALTH

Sec. 301. Hutzel Hospital Payment

Provides for Disproportionate Share payment of \$3.4 million GF/GP as final year of a GF/GP payment to Hutzel Hospital. *(Legislatively-initiated)*

Sec. 302. Community Mental Health Funding

Requires the DCH to report to the Senate and House Appropriations Committees and State Budget Director, by April 1, 2014, on the amount of funding needed for CMHSPs to continue the identical level of services provided to non-Medicaid eligible individuals prior to 2013 PA 107 (Healthy Michigan Plan). *(Legislatively initiated)*

Sec. 303. Healthy Michigan Plan Outreach and Education

Prohibits the DCH from spending any funds appropriated for administration of the Healthy Michigan Plan on outreach or education. *(Legislatively initiated)*

Sec. 304. Community Mental Health (CMH) Non-Medicaid Services Funding Increase

Provides that \$12.0 million of the \$25.0 million appropriated to the Community Mental Health Non-Medicaid Services line be expended only if the State Budget Director approves an expenditure plan prepared by the DCH documenting that the funds are needed to maintain direct services to eligible clients. Requires notice to Legislature prior to such expenditure. *(Legislatively initiated)*

Sec. 305. Health Insurance Claims Assessment (HICA) Shortfall

Provides that if, by September 30, 2014, there are insufficient state match funds appropriated in the Community Health budget (due to the HICA shortfall), an amount equal to the shortfall will be automatically appropriated from the Roads and Risks Reserve (RRR) Fund. The RRR fund currently has a balance of \$115.0 million. *(Legislatively initiated)*

HUMAN SERVICES

Sec. 401. Youth in Transition Pilot Program

Requires DHS to allocate \$250,000 for a three-year contract to establish a pilot program with a Detroit-based nonprofit agency to serve 25 youth who are aging out of the foster care system; require progress report by September 30, 2014. *(Legislatively initiated)*

Sec. 402. Fostering Futures Scholarship

Requires DHS to allocate \$750,000 for college scholarships through the Fostering Futures Scholarship program within the Michigan Education Trust for youth who were in foster care because of abuse or neglect. *(Legislatively initiated)*

Sec. 403. Foster Care Administration

Requires DHS to pay 100% of the administrative rate for all new foster care cases referred to private providers during FY 2013-14. *(Legislatively initiated)*

Sec. 404. Parent to Parent

Allocates \$200,000 to the Adoptive Family Support Network for the Parent to Parent program; states legislative intent that these funds are provided on a one-time basis only. *(Legislatively initiated)*

Sec. 405. LIHEAP Deliverable Fuel Crisis Assistance

Allocates \$7.0 million in federal LIHEAP funding for deliverable fuel crisis assistance, sets payment cap at \$850 and income limit of not greater than 60% of state median income. *(Legislatively initiated)*

FY 2013-14 Supplemental Boilerplate Items

Sec. 406. GF/GP Deliverable Fuel Crisis Assistance

Requires DHS to use the funds only for deliverable fuel crisis assistance that accrue from January 1, 2014 to March 31, 2014, sets payment cap at \$850 and income limit between 150% of federal poverty and 60% of state median income; allows funding to be made available either through reimbursements for accrued expenditures or as prospective payments, requires payments for accrued expenditures to verify purchase and for assistance to be distributed directly to the applicant, requires prospective payments to verify need and for payments to be distributed directly to the vendor. *(Legislatively-initiated)*

LICENSING AND REGULATORY AFFAIRS

Sec. 501. Medical Marijuana Registry Cards Report and Grants to County Law Enforcement

Replaces existing boilerplate section with new section that further delineates the granting process, clarifies the purposes of the grants (\$3.0 million to locals for operation and oversight), and alters the grant application and reporting deadline. Similar boilerplate changes recommended by the Executive for the FY 2014-15 budget. *(Legislatively initiated)*

MILITARY AND VETERANS AFFAIRS

Sec. 551. Veterans Service Delivery Initiative – Quarterly Metrics Reports

Requires the Michigan Veterans Affairs Agency to provide quarterly performance reports on activities funded for the veterans service delivery initiative. *(Legislatively initiated)*

Sec. 552. Veterans Mental Health Care Referral Services

Provides for mental health care referral services to be provided to veterans from funds appropriated. *(Legislatively initiated)*

Sec. 553. Veterans Service Delivery Initiative – Work Project Appropriation

Designates the appropriation for the veterans service delivery initiative as a work project appropriation, authorizing unexpended funds to be carried forward into subsequent fiscal years. *(Legislatively initiated)*

NATURAL RESOURCES

Sec. 601. Capital Outlay - Grant-In Aid Federal Funding Lapse Authorization

Authorizes the lapse of federal funding that was previously appropriated in PA 41 of 2007 for a grant-in-aid project for a new city marina in Trenton, located in Wayne County. Project was to be funded at \$776,500: \$582,400 in federal funding and a local match of \$194,100. The local match was never raised, so the federal funding could not be received. Statute requires legislative approval for the lapse of grant-in-aid appropriations. This technical language would provide that approval and allow the lapse of the \$582,400 federal funding appropriation in the state's accounting system. *(SBO Request 2014-1)*

STATE POLICE

Sec. 651. NTIA – State and Local Implementation Grant Program

Establishes NTIA-SLIGP funds as a work project, authorizing unexpended funds to be carried forward into subsequent years. *(SBO Request 2014-4)*

Sec. 652. Tree Damage/Debris Mitigation

Designates \$1.0 million appropriation to counties and municipalities to mitigate tree-related damage and debris due to the ice storm of December 22 and 23, 2013. *(Legislatively-initiated)*

Sec. 653. Disaster Assistance Work Project Authorization

Establishes the disaster assistance grants as a work project appropriation, authorizing unexpended funds to be carried forward into subsequent years. *(Legislatively initiated)*

Sec. 654. NTIA – State and Local Implementation Grant Program

Specifies that notwithstanding the NTIA-SLIGP grant requirements, the funds appropriated shall be used to support activities pertaining to governance, outreach, education, and strategy development for the development of a next generation, internet-protocol enabled public safety broadband network. Also provides that these funds do not obligate the state's participation in the development of a nationwide public safety broadband network developed by the FirstNet Authority. *(Legislatively initiated)*

TRANSPORTATION

Sec. 702. Special Winter Road Maintenance

Specifies that appropriation of \$100.0 million for special winter road maintenance be distributed based on the PA 51 formula: 39.1% for the State Trunkline Fund, 39.1% for county road commissions, 21.8% for cities and villages. Designates funds specifically for maintenance costs; excludes administrative, overhead, and other indirect costs. *(Legislatively initiated)*

Sec. 703. Beaver Island Transportation Authority

Specifies that funds appropriated for Beaver Island Transportation Authority be retained by the authority and be made available to an entity under contract with the authority for capital expenses or emergency operating expenses. *(Legislatively initiated)*

FY 2013-14 Supplemental Boilerplate Items

Sec. 704. Priority Roads Investment Program

Provides that funds appropriated for the Priority Road Investment Program be expended for road projects and that any funds not obligated to a project with construction underway or design work completed by July 1, 2014 be instead distributed to the State Trunkline Fund, county road commissions, and cities and villages via the PA 51 formula. Also provides for up to \$100,000 to be expended for certain purposes related to signs, signals, and barriers. *(Legislatively initiated)*

TREASURY - OPERATIONS

Sec. 801. State Building Authority - General Fund Advances

Authorizes use of GF/GP to meet cash flow requirements of SBA projects for lease and for which bonds or notes have not been issued; requires that advances bear an interest cost to SBA; requires SBA to credit General Fund with amount of expenditure plus interest on sale of bonds or notes; requires Treasurer to make advances without interest for projects for which bonds or notes have been issued. (Language moved from DTMB budget.) *(SBO Request 2014-1)*

Sec. 802. State Building Authority - Excess Facility Revenue

Requires facility revenue in excess of operation costs to be credited to the General Fund to offset rent obligations associated with retirement of bonds. (Language moved from DTMB budget.) *(SBO Request 2014-1)*

Sec. 803. State Building Authority - Status of Construction Projects

Requires the SBA to provide an annual report on the status of construction projects associated with SBA bonds. (Language moved from DTMB budget.) *(SBO Request 2014-1)*

Sec. 804. Detroit Area Pre-College Engineering Program

Requires \$340,000 GF/GP appropriated in part 1 to be used for a grant to the Detroit Area Pre-College Engineering Program. *(Legislatively initiated)*

Sec. 805. Tax Processing Work Project Authorization

Provides boilerplate work project authorization for remaining \$3.9 million GF/GP of Tax Plan Implementation funds to support implementation of new workload management and distribution system for tax processing. Funds were originally appropriated in PA 83 of 2011. The project will be accomplished with state employees and private vendors. Total estimated cost is \$3.9 million and has a tentative completion date of September 30, 2018. *(SBO Request 2014-4)*

TREASURY - MICHIGAN STRATEGIC FUND

Sec. 806. State Budget Director Lapse Directive

Specifies that appropriations for the Home Affordable Refinance Program (HARP) and blight elimination are subject to a directive by the State Budget Director to lapse the Appropriation Year 2012 work project funding originally appropriated in PA 296 of 2012 for the HARP. *(Legislatively initiated)*

Sec. 807. Blight Elimination and Home Affordable Refinance Program (HARP) Work Project Authorization

Provides boilerplate work project authorization for \$4.5 million Gross (\$0 GF/GP) appropriated for blight elimination and HARP. Funds were originally appropriated in PA 83 of 2011. The project will be accomplished with state employees and by contract. Total estimated cost is \$4.5 million and has a tentative completion date of September 30, 2016. States that all amounts not expended by September 30, 2016 shall be expended for blight elimination activities overseen by the Michigan State Housing Development Authority (MSHDA). Places emphasis on use of funds for Safe Pathways to School program. *(Legislatively initiated)*

TREASURY – REVENUE SHARING

Sec. 808. Economic Vitality Incentive Program (EVIP)/County Incentive Program (CIP)

Replaces and amends the EVIP and CIP language to (1) remove requirement under category 3 that a city, village, township, or county include an estimated cost savings with its listing of steps taken to reduce unfunded accrued liabilities and (2) allow full payment to a city, village, or township that certified its qualification under category 1 after October 1 but before December 1. *(Legislatively initiated)*

REPEALERS

Enacting Section 1. Repealers - DTMB Budget

Repeals sections of DTMB budget act boilerplate that pertain to the State Building Authority. *(SBO Request 2014-1)*

Enacting Section 2. Repealers - Human Services

Repeals sections 522 and 589 of DHS budget to reflect the changes contained in sections 402 and 403 above for youth in transition scholarships and fund sourcing for new foster care cases referred to private providers, respectively. *(Legislatively initiated)*

Enacting Section 3. Repealers - Licensing and Regulatory Affairs

Repeals section 728 of LARA budget in order to replace with section 501 above. *(Legislatively initiated)*

Enacting Section 4. Repealers - Economic Vitality Incentive Program/County Incentive Program

Repeals section 952 of Treasury budget in order to replace with section 808 above. *(Legislatively initiated)*