

**FY 2021-22 and FY 2022-23 SUPPLEMENTAL APPROPRIATIONS**  
**Summary: As Enrolled**  
**Senate Bill 844**



HFA Director: Mary Ann Cleary  
 Supplemental Coordinator: Robin R. Risko

**Overview**

Enrolled Senate Bill 844 contains supplemental appropriation adjustments to multiple state department budgets for FY 2021-22 and FY 2022-23. In sum, FY 2021-22 appropriation adjustments total \$133.1 million Gross, \$3.4 million GF/GP. Of the Gross amount, \$105.2 million would be appropriated from federal COVID relief funding that was authorized through the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act) for continued support of economic recovery of individuals, families, and businesses struggling with effects of the COVID-19 pandemic. FY 2022-23 appropriation adjustments total \$1,003.4 million Gross, \$983.4 million GF/GP.

Appropriation and boilerplate priorities initiated by the State Budget Office in Supplemental Request Letter 2022-7 and priorities initiated by the legislature are identified following this overview.

**FY 2022-23 APPROPRIATION SUMMARY**

<b>Budget Area</b>		<b>FY 2022-23 Year-to-Date Appropriations</b>	<b>FY 2022-23 Supplemental Change</b>	<b>% Change</b>
Health and Human Services	Gross	\$33,366,065,600	\$72,237,200	0.2
	GF/GP	\$6,170,128,600	\$72,237,200	1.2
Labor and Economic Opportunity	Gross	\$2,900,346,000	\$916,140,200	31.6
	GF/GP	\$1,411,699,900	\$896,140,000	63.5
Military and Veterans Affairs	Gross	\$347,366,000	\$15,000,000	4.3
	GF/GP	\$127,465,000	\$15,000,000	11.8
<b>TOTAL</b>	<b>Gross</b>	<b>\$36,613,777,600</b>	<b>\$1,003,377,400</b>	<b>2.7</b>
	<b>GF/GP</b>	<b>\$7,709,293,500</b>	<b>\$983,377,200</b>	<b>12.8</b>

**FY 2022-23 Supplemental Appropriation Items**

**HEALTH AND HUMAN SERVICES**

**1. Child Caring Institution Rates**

Includes \$25.0 million GF/GP for enhanced child caring institution rates for children receiving services under either mental health and behavioral stabilization rates or developmentally disabled or cognitively impaired rates.

**Appropriation  
Change**

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

**2. Behavioral Health Care Services and Facilities**

Includes \$15.0 million GF/GP for a Detroit Wayne Integrated Health Network psychiatric campus. Appropriation would be in addition to the \$45.0 million appropriated in the enacted FY 2022-23 DHHS budget for a total state appropriation of \$60.0 million.

**Gross \$15,000,000**  
**GF/GP \$15,000,000**

**3. Behavioral Health Facilities Grant**

Includes \$1.5 million GF/GP for grants to providers of behavioral health services for facility improvements, additional capacity, or facility acquisition, or all 3, with preference given to applicants that would repurpose school facilities to support the provision of mental health, primary care, and dental services focused on underserved areas.

**Gross \$1,500,000**  
**GF/GP \$1,500,000**

<b><u>FY 2022-23 Supplemental Appropriation Items</u></b>		<b><u>Appropriation Change</u></b>
<b>4. Critical Child Welfare Infrastructure</b>	<b>Gross</b>	<b>\$15,000,000</b>
Includes \$15.0 million GF/GP for grants to nonprofit organizations to provide housing to youth who are currently in foster care or who have already aged out of foster care. Of the \$15.0 million, \$7.5 million would be allocated to The New Foster Care for the construction, purchase, or renovation of facilities to provide affordable and attainable housing for youth aging out of foster care or youth who have already aged out of foster care.	GF/GP	\$15,000,000
<b>5. First Responder and Public Safety Staff Mental Health</b>	<b>Gross</b>	<b>\$7,500,000</b>
Includes \$7.5 million GF/GP for grants to behavioral health providers that support first responder and public safety staff. The focus of the grant program is to ensure first responder and public safety staff who are dealing with post-traumatic stress syndrome and other mental health conditions have access to enhanced mental health services.	GF/GP	\$7,500,000
<b>6. Quality Assurance Assessment Program (QAAP)</b>	<b>Gross</b>	<b>\$4,237,200</b>
Includes \$4.2 million GF/GP to offset a hospital QAAP overpayment collected from 4 hospitals (Memorial Healthcare Center, St. Joseph Mercy Hospital, Helen Newberry Joy Hospital, and Eaton Rapids Medical Center) associated with data reporting discrepancies that caused QAAP billings to be overcharged during the first quarter of the current fiscal year.	GF/GP	\$4,237,200
<b>7. Senior Living and Healthcare Expansion</b>	<b>Gross</b>	<b>\$4,000,000</b>
Includes \$4.0 million GF/GP to be allocated to Presbyterian Villages to expand affordable housing for seniors and to expand programs for all-inclusive care for the elderly. Appropriation would be in addition to the \$1.0 million appropriated in the enacted FY 2022-23 DHHS budget for a total state appropriation of \$5.0 million.	GF/GP	\$4,000,000
<b>LABOR AND ECONOMIC OPPORTUNITY</b>		
<b>8. Housing and Rental Assistance</b>	FTE	20.0
Includes authorization for 20.0 additional FTE positions to administer Housing and Rental Assistance programs. Additional staff would be supported with current appropriations.	<b>Gross</b>	<b>\$0</b>
	GF/GP	\$0
<b>9. Bauserman Settlement Agreement</b>	<b>Gross</b>	<b>\$20,000,000</b>
Includes \$20.0 million restricted funding from the Contingent Fund, Penalty, and Interest Account for settlement payments related to the <i>Bauserman v. Unemployment Insurance Agency</i> settlement agreement.	Restricted	20,000,000
	GF/GP	\$0
<b>10. Critical Industry Program</b>	<b>Gross</b>	<b>\$100</b>
Includes a \$100 state restricted funding placeholder for the Critical Industry Program. The program would support qualified investments to qualified businesses for deal-closing, gap financing, or other economic assistance to increase investments in the state.	Restricted	100
	GF/GP	\$0
<b>11. Downtown Placemaking Grant</b>	<b>Gross</b>	<b>\$12,000,000</b>
Includes \$12.0 million GF/GP for a grant to the City of Adrian to work with the Downtown Development Authority to remove blight, encourage development, and fund river cleanup activities.	GF/GP	\$12,000,000
<b>12. Economic Development and Workforce Grants</b>	<b>Gross</b>	<b>\$240,000</b>
Includes \$240,000 GF/GP for an Economic Development and Workforce Grant to Macomb Township for the construction of a culvert to allow pedestrian access to Pitchford Park.	GF/GP	\$240,000
<b>13. Infrastructure Improvement Grant</b>	<b>Gross</b>	<b>\$7,500,000</b>
Includes \$7.5 million GF/GP for the City of Pontiac for the construction of a new bypass road that would directly or indirectly result in the acquisition of at least 40 acres of property to be used for public recreation.	GF/GP	\$7,500,000
<b>14. Michigan Community Development Financial Institutions (CDFI) Fund Grants</b>	<b>Gross</b>	<b>\$0</b>
Unappropriates and reappropriates \$75.0 million funded in 2022 PA 166 for CDFI grants to be awarded by the Michigan Strategic Fund to eligible community development financial institutions. Related boilerplate is modified to adjust the amounts of grant awards.	GF/GP	\$0
<b>15. Michigan Enhancement Grants</b>	<b>Gross</b>	<b>\$800,000</b>
Includes \$800,000 GF/GP for a Michigan Enhancement Grant to Binder Park Zoo to support recreational improvements to the facility.	GF/GP	\$800,000

<u>FY 2022-23 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>
<b>16. Michigan Strategic Site Readiness Program</b>		<b>\$100</b>
Includes a \$100 state restricted funding placeholder for the Strategic Site Readiness Program. The program would support grants, loans, and other economic assistance to create investment-ready sites to attract and promote investment in the state for eligible activities on, or related to, strategic sites and mega-strategic sites.	Restricted	100
	GF/GP	\$0
<b>17. Municipal Information Technology and Cybersecurity Upgrades</b>		<b>\$2,500,000</b>
Includes \$2.5 million GF/GP for the City of Dearborn for information technology upgrades such as physical security for data centers, IT infrastructure, and cybersecurity improvements.	GF/GP	\$2,500,000
<b>18. Strategic Outreach and Attraction Reserve Fund</b>		<b>\$846,100,000</b>
Includes \$846.1 million GF/GP for deposit into the SOAR Fund. The purpose of the SOAR Fund is to support the Critical Industry Program and the Michigan Strategic Site Readiness program.	GF/GP	\$846,100,000
<b>19. Workforce and Infrastructure Grant</b>		<b>\$27,000,000</b>
Includes \$27.0 million GF/GP for a grant to Thomas Township in Saginaw County for expansion of sanitary sewer infrastructure capacity for an investment project involving the Hemlock Semiconductor Operations which manufacture polysilicon.	GF/GP	\$27,000,000

#### **MILITARY AND VETERANS AFFAIRS**

<b>20. Armory Modernization</b>		<b>\$15,000,000</b>
Provides \$15.0 million GF/GP to make physical modifications to all Michigan National Guard armories, most of which were constructed before women were allowed to serve or when their numbers were low. Modifications are necessary to create equitable accommodations for female servicemembers. Projects would include creating bathroom and shower space and lactation rooms as required by 2015 Army Directive. Funding would supplement an appropriation of \$100.0 million Gross (\$40.0 million GF/GP) included in 2022 PA 166.	GF/GP	\$15,000,000

#### **FY 2022-23 Supplemental Boilerplate Items**

##### **GENERAL SECTIONS**

###### **Sec. 201. State Spending and State Appropriations Paid to Local Units of Government**

States amount of state spending from state sources in the bill and amount of state spending to be paid to local units of government.

###### **Sec. 202. Appropriations Subject to Management and Budget Act**

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

###### **Sec. 203. State Administrative Board Transfers**

Authorizes the legislature, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, to inter-transfer funds if the State Administrative Board transfers funds.

##### **HEALTH AND HUMAN SERVICES**

###### **Sec. 301. Behavioral Health Care Services and Facilities**

Allocates \$15.0 million for a Detroit Wayne Integrated Health Network psychiatric campus; states that funds allocated do not constitute a future guarantee of permitting approval; designates unexpended funds as a work project appropriation.

###### **Sec. 302. Child Caring Institution Rates**

Allocates \$25.0 million GF/GP for enhanced child caring institution rates for children receiving services under either mental health and behavioral stabilization rates or developmentally disabled or cognitively impaired rates.

###### **Sec. 303. Critical Child Welfare Infrastructure**

Allocates \$15.0 million GF/GP for grants to nonprofit organizations to provide housing to youth who are currently in foster care or who have already aged out of foster care; allocates \$7.5 million of the \$15.0 million to The New Foster Care for construction, purchase, or renovation of facilities to provide affordable and attainable housing for youth aging out of foster care or youth who have already aged out of foster care, contingent on The New Foster Care providing the department with an implementation plan and the department approving the implementation plan; requires report.

###### **Sec. 304. First Responder and Public Safety Staff Mental Health**

Allocates \$7.5 million to support firefighters, police officers, emergency medical personnel, and other first responder workers suffering from post-traumatic stress and other mental health conditions; designates unexpended funds as a work project appropriation.

## **FY 2022-23 Supplemental Boilerplate Items**

### ***Sec. 305. Behavioral Health Facilities Grants***

Requires funding to be allocated on a competitive basis to providers of behavioral health services for facility improvements, additional capacity, or facility acquisition, or all 3, with preference given to applicants that would repurpose school facilities to support the provision of mental health, primary care, and dental services focused on underserved areas.

### ***Sec 306. Quality Assurance Assessment Program***

Allocates \$4.2 million GF/GP to offset a hospital QAAP overpayment collected from 4 hospitals (Memorial Healthcare Center, St. Joseph Mercy Hospital, Helen Newberry Joy Hospital, and Eaton Rapids Medical Center) associated with data reporting discrepancies that caused QAAP billings to be overcharged during the first quarter of the current fiscal year.

### ***Sec. 307. Senior Living and Healthcare Expansion***

Allocates \$4.0 million to Presbyterian Villages to expand affordable housing for seniors and to expand programs for all-inclusive care for the elderly.

## **LABOR AND ECONOMIC OPPORTUNITY**

### ***Sec. 401. Michigan Enhancement Grants***

Allocates \$800,000 to the Binder Park Zoo to support recreational improvements to the facility.

### ***Sec. 402. Economic Development and Workforce Grants***

Allocates \$240,000 to Macomb Township for the construction of a culvert to allow pedestrian access to Pitchford Park.

### ***Sec. 403. Michigan Community Development Financial Institution (CDFI) Fund Grants***

Creates the Michigan CDFI Fund and requires grants to be awarded by the MSF to eligible community development financial institutions.

### ***Sec. 404. MSHDA – Creation or Rehabilitation of Affordable Housing***

Appropriates up to \$100.0 million COVID-19 Emergency Rental Assistance funding that was already appropriated in 2021 PA 133 and 2022 PA 53 for the creation or rehabilitation of affordable housing; designates unexpended funds as a work project appropriation.

### ***Sec. 405. MSHDA Housing Program Staff***

Authorizes MSHDA to increase the number of limited-term FTE positions for housing programs by 25.0 FTE positions.

### ***Sec. 406. Strategic Outreach and Attraction Reserve Fund (SOAR)***

Appropriates up to \$846.1 million in state restricted contingency authorization; authorizes expenditure of funds after legislative transfer to line items.

### ***Sec. 407. Critical Industry Program***

Requires that funding appropriated for the Critical Industry Program be used for program activities pursuant to statute.

### ***Sec. 408. Michigan Strategic Site Readiness Program***

Requires that funding appropriated for the Michigan Strategic Site Readiness Program be used for program activities pursuant to statute; states legislative intent that funding transferred from the SOAR Fund to the program be used as follows: \$25.0 million for grants to regional and local economic development organizations for site readiness activities, \$100.0 million for grants to eligible applicants for improvements to strategic sites for which the end-user is not yet identified, \$75.0 million for assessment and development of mega-strategic sites, \$50.0 million for grants for improvements to strategic sites for which the end-user has been identified, and \$100.0 million for grants to remediate or redevelop, or both, landfill facilities for future economic development.

### ***Sec. 409. SOAR Fund Deposit***

Requires funds appropriated for the SOAR Fund to be deposited into the SOAR Reserve Fund created in section 4 of the Michigan Trust Fund Act.

### ***Sec. 410. Public Purpose Declaration***

States that the legislature finds and declares that appropriations for the Critical Industry Program and Michigan 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. Workforce and Infrastructure Grant***

Requires funding to be awarded to Thomas Township for expansion of sanitary sewer infrastructure capacity and other infrastructure improvements to facilitate a private investment of at least \$200.0 million.

### ***Sec. 412. Infrastructure Improvement Grant***

Requires funding to be awarded to the City of Pontiac for the construction of a new bypass road that would directly or indirectly result in acquiring at least 40 acres of land for public recreation purposes.

### ***Sec. 413. Downtown Placemaking Grant***

Requires funding to be awarded to the City of Adrian to work with the Downtown Development Authority to remove blight, encourage development, including parks and trails, and provide for river cleanup.

**FY 2022-23 Supplemental Boilerplate Items**

***Sec. 414. Municipal Information Technology and Cybersecurity Upgrades***

Requires funding to be awarded to the City of Dearborn for information technology upgrades such as physical security for data centers, IT infrastructure, and cybersecurity upgrades.

***Sec. 415. Stipulations for Enhancement and Economic Development and Workforce Grants***

Requires MSF to execute a grant agreement with certain requirements for each Michigan Enhancement Grant and Economic Development and Workforce Grant awarded; requires recipients to respond to reasonable requests; requires quarterly updates on status of each grant.

**REPEALERS**

***Sec. 501(1). Repeal CDFI Fund Grants and SOAR Contingency***

Repeals sections 991 and 1097 of Article 5 of 2022 PA 166, which create the Michigan CDFI Fund and requires grants to be awarded by the MSF to eligible community development financial institutions and appropriates state restricted contingency authorization for SOAR, and replaces them with sections 403 and 406 of this bill.

***Sec. 501(2). Repeal Law Enforcement Officers Memorial Monument Fund***

Repeals section 818 of Article 5 of 2021 PA 87, which authorizes receipt and expenditure of funds from the Michigan Law Enforcement Officers Memorial Monument Fund, and replaces it with section 1601 of this bill.

## FY 2021-22 APPROPRIATION SUMMARY

Budget Area		FY 2021-22 Year-to-Date Appropriations	FY 2021-22 Supplemental Change	% Change
Corrections	Gross	\$2,065,873,000	\$0	0.0
	GF/GP	\$1,122,369,400	(\$57,000,000)	(5.1)
Environment, Great Lakes, and Energy	Gross	\$2,650,568,600	\$2,800,000	0.1
	GF/GP	\$282,945,300	\$0	0.0
Labor and Economic Opportunity	Gross	\$4,470,763,000	\$21,627,100	0.5
	GF/GP	\$1,630,615,600	\$0	0.0
Military and Veterans Affairs	Gross	\$224,604,000	\$3,400,000	1.5
	GF/GP	\$79,010,200	\$3,400,000	4.3
Natural Resources	Gross	\$929,506,300	\$100,000	0.0
	GF/GP	\$49,457,900	\$0	0.0
State Police	Gross	\$1,181,587,900	\$105,200,000	8.9
	GF/GP	\$575,689,300	\$57,000,000	9.9
<b>TOTAL</b>	<b>Gross</b>	<b>\$11,522,902,800</b>	<b>\$133,127,100</b>	<b>1.2</b>
	<b>GF/GP</b>	<b>\$3,740,087,700</b>	<b>\$3,400,000</b>	<b>0.1</b>

### FY 2021-22 Supplemental Appropriation Items

**Appropriation  
Change**

#### **CORRECTIONS**

##### **1. Coronavirus Relief Funds for Payroll**

Includes \$57.0 million of federal Coronavirus Relief Funds and reduces GF/GP by a like amount. Funding would be allocated to support eligible public health and public safety payroll expenditures for frontline workers throughout the department.

<b>Gross</b>	<b>\$0</b>
Federal	57,000,000
GF/GP	(\$57,000,000)

#### **ENVIRONMENT, GREAT LAKES, AND ENERGY**

##### **2. Flint Drinking Water Response Activities**

Reauthorizes the available balance of an expiring work project appropriation that supports drinking water response activities in Genesee County including lead service line replacement, filter replacement, and water quality testing.

<b>Gross</b>	<b>\$2,800,000</b>
Restricted	2,800,000
GF/GP	\$0

#### **LABOR AND ECONOMIC OPPORTUNITY**

##### **3. Unemployment Insurance Agency (UIA) Administrative Costs**

Includes authorization to appropriate \$21.6 million in federal Reed Act funding to cover UIA administrative costs. Funding is needed to offset an unexpected reduction in traditional federal revenue. The federal Reed Act authorizes the return of excess federal taxes to states for unemployment benefits or for administrative costs for unemployment insurance or employment services. Michigan has a remaining balance of \$21.6 million under the Reed Act and this would appropriate the remaining federal funds.

<b>Gross</b>	<b>\$21,627,100</b>
Federal	21,627,100
GF/GP	\$0

#### **MILITARY AND VETERANS AFFAIRS**

##### **4. Grand Rapids Home for Veterans**

Provides \$3.4 million GF/GP to cover foregone federal revenue from veteran per-diem and Medicaid reimbursements due to a lower than anticipated member census at the new Grand Rapids Home for Veterans facility. Determinations of placement of existing members in the new facility delayed acceptance of new member applicants.

<b>Gross</b>	<b>\$3,400,000</b>
GF/GP	\$3,400,000

#### **NATURAL RESOURCES**

##### **5. Wildlife Management**

Authorizes an additional \$100,000 in Pheasant Hunting License fee revenue to align spending with available revenue that supports the pheasant release program.

<b>Gross</b>	<b>\$100,000</b>
Restricted	100,000
GF/GP	\$0

**FY 2021-22 Supplemental Appropriation Items**

**STATE POLICE**

**6. Coronavirus Relief Funds for Payroll**

Includes \$48.2 million of federal Coronavirus Relief Funds and \$57.0 million GF/GP. The federal CRF funding would be used to backfill \$48.2 million of GF/GP funding in the Post Operations line item to support eligible public safety payroll costs. The \$57.0 million GF/GP appropriation and \$48.2 million GF/GP backfilled with federal CRF would be combined to provide a Gross total of \$105.2 million for activities that are ineligible for federal reimbursement.

<b>Gross</b>	<b>\$105,200,000</b>
Federal	48,200,000
GF/GP	\$57,000,000

**FY 2021-22 Supplemental Boilerplate Items**

**GENERAL SECTIONS**

**Sec. 1201. State Spending and State Appropriations Paid to Local Units of Government**

States amount of state spending from state sources in the bill and amount of state spending to be paid to local units of government.

**Sec. 1202. Appropriations Subject to Management and Budget Act**

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

**Sec. 1203. State Administrative Board Transfers**

Authorizes the legislature, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, to inter-transfer funds if the State Administrative Board transfers funds.

**Sec. 1204. Appropriations Subject to Federal Rules and Regulations**

Subjects federal COVID appropriations to federal rules and regulations.

**Sec. 1205. Appropriations Subject to Federal Audit and Reporting Requirements**

Subjects appropriations to applicable federal audit and reporting requirements; requires prompt action if instances of noncompliance are identified; requires the state budget director to notify appropriations committees and fiscal agencies of instances of noncompliance.

**Sec. 1206. Report on Status of Federal COVID Appropriations**

Requires the state budget director to report on the status of all funds appropriated related to the coronavirus relief effort on a monthly basis until all funds are exhausted.

**ENVIRONMENT, GREAT LAKES, AND ENERGY**

**Sec. 1301. Flint Drinking Water Response Activities**

Designates unexpended funds as a work project appropriation; purpose of the project is to replace and restore lead service lines, replace filters, and test water for the City of Flint.

**LABOR AND ECONOMIC OPPORTUNITY**

**Sec. 1401. Unemployment Insurance Agency Administrative Costs**

Authorizes appropriation of Michigan's distribution of federal funding from the federal Reed Act (authorized in the Temporary Extended Unemployment Compensation Act of 2002) to be used for UIA's administrative costs; authorizes state budget director to make necessary accounting transactions for the appropriation.

**Sec. 1402. Unemployment Insurance Agency Administrative Costs – Work Project**

Designates unexpended funds as a work project appropriation; purpose of the project is to support administrative costs of the UIA.

**NATURAL RESOURCES**

**Sec. 1451. Wildlife Management**

Designates unexpended funds as a work project appropriation; purpose is to support the pheasant release program.

**STATE POLICE**

**Sec. 1501. Expenses Ineligible for Federal Reimbursement**

Designates unexpended funds as a work project appropriation; purpose is to cover expenses that are ineligible for federal reimbursement.

**TECHNOLOGY, MANAGEMENT, AND BUDGET**

**Sec. 1601. Law Enforcement Officers Memorial Monument Fund**

Authorizes receipt and expenditure of funds from the Michigan Law Enforcement Officers Memorial Monument Fund; authorizes unencumbered fund to be carried forward.