



Senate Fiscal Agency
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Senate Bill 1090 (S-1 as reported)
Committee: Appropriations

FY 2005-06 Year-to-Date Gross Appropriation	\$4,427,975,000
Changes from FY 2005-06 Year-to-Date:	
1. Caseloads. The Governor recommended: increases for Adoption Subsidies, State Disability Assistance; and SSI State Supplementation and reductions for Day Care Services and FIP. No changes for Foster Care, but \$2.6 million for Food Assistance Program, \$1.9 million for day care services and \$4.2 million for the Child Care Fund. The Senate included \$2.0 million for advocacy project, \$4.4 million for foster care rate and \$5 million for FIP Basic education.	33,202,900
2. Program Enhancements. The Governor recommended \$1.8 million Gross for 51.2 Child Protective Services (CPS) FTEs, and \$2.5 million Gross for 38.0 FTEs to reduce Medicaid payment errors. The Senate included 5.0 additional FTEs for CPS, 20.0 FTEs for high risk OCAL investigations, and \$1 million for incentive payments.	7,049,900
3. Technology. The Governor recommended an increase of \$5.5 million and \$4.8 million for the BRIDGES Program and the SDU contract, respectively, and \$3.9 million savings through a contract reduction, and removal of \$18.8 million in one-time arrearage program revenue.	(12,449,500)
4. Program Transfers. The Governor recommended the transfer from the Department of Labor and Economic Growth of the Michigan Community Service Commission.	9,391,900
5. Federal TANF Funded Programs. The Governor recommended reduction of \$1.2 million for the Fatherhood Initiative, Marriage Initiative, and Earned Income Tax Credit (EITC) outreach. The Boys and Girls Clubs funds were replaced with General Funds. The Senate includes \$2.75 million for Marriage and Fatherhood Initiative, EITC, and \$325,000 for Crisis prevention.	3,075,000
6. Fund Shifts. The Governor recommended fund shifts: Federal to GF of \$78.0 million in TANF funds, \$15.3 million in Title XX Social Services Block Grant, \$927,600 in the FMAP rate, and \$2.4 million in IDG DCH funding; reduce GF with \$6.6 million CCDF.	0
7. Other Revenue Increases. The Governor recommended Federal increases of \$237,800 in the Children's Trust Fund Grant and \$2.4 million for disability determination medical examinations. Included was \$600,000 in local revenue for Court Bench Warrant Fees.	3,282,800
8. Savings in State Funds. The Governor recommended \$10.98 million in Welfare Reform Jobs, Education and Training (JET) Pilot, a net \$3.6 million from the Front-End Eligibility Pilot, and \$5.0 million from child care program. The Senate included \$3 million in Child Care Fund, \$9.3 million in payment standard, sanctions, 3 counties JET expansion and diversion programs, and \$5 million in Day Care.	(40,430,400)
9. Economic Adjustments.	41,246,300
10. Other Changes. The Governor recommended the elimination of the Smoking Cessation Pilot, the Pontiac School-Based Crisis Intervention Project, and reductions in the Human Services Optimization related positions. The Senate included the Smoking Cessation Pontiac, day care pilots and a \$100.00 placeholder for runaway and homeless youth services.	(507,700)
11. Comparison to Governor's Recommendation. The Senate bill is \$31,600 Gross over the Governor and \$3,215,200 GF/GP under the Governor.	
Total Changes.....	43,861,200
FY 2006-07 Senate Appropriations Committee Gross Appropriation	4,471,836,200

Changes from FY 2005-06 Year to Date:

1. **Contingency Funds.** The Governor recommended additional funds through transfers approved by the Legislature. (Sec. 206) The Senate did not concur.
2. **TANF Reporting.** The Governor's proposal deleted subsection (2) notifying the Legislature on TANF and MOE spending. (Sec. 218) The Senate concurred.
3. **Faith-Based Organizations.** The Governor's proposal did not include language establishing the use of State funds for sectarian activity in program services. (Sec. 220) The Senate did not concur.
4. **Medicaid Eligibility.** The Governor's proposal did not include language on a 60-day standard of promptness for determinations and a 45-day standard on nursing home patient applications. (Sec. 223) and (Sec. 224) The Senate did not concur.
5. **Local Office Consolidation.** The Governor's recommendation did not include the county office restructuring and consolidation plan. (Sec. 261) The Senate included the language.
6. **Restructure Local Zone Offices.** The Governor's proposal did not require a plan to assist local service delivery effectiveness and efficiency through maximizing state resources. (Sec. 262) The Senate included the language.
7. **Policy Changes and Regulatory Reform.** The Governor's recommendation did not require the Department to report on each policy change made to enact legislation and funds for a regulatory reform plan. (Sec. 273) The Senate did not concur.
8. **Federal Grant Reporting.** The Governor's recommendation did not require the Department to report on grant eligibility and the reason for no application submission. (Sec. 274) The Senate included the language.
9. **School Aid Ballot Proposal.** The Senate requires budget cuts to reduce the budget by 7.93% if it passes.(Sec. 281)
10. **Fatherhood and Marriage Initiatives.** The Governor's proposal did include new language regarding funding contingent on available Federal funding. Section 416 is deleted. (Sec. 415) The Senate included current year language.
11. **Food Stamp Error Rate.** The Governor's recommendation did not require a rate reduction project in two counties. The language and \$50,000 funding was vetoed in FY 2006. (Sec. 423 subsection 3) The Senate did not concur; the language included crisis prevention and food outreach projects and not less than \$70,000 for State's elderly to participate in the food assistance program.
12. **Employment and Training.** The Governor's recommendation did not include TANF funding for the Effective Family Formation Program. (Sec. 424) The Senate did not concur.
13. **Child Protective Services.** The Governor's proposal did not require a report to the Legislature. (Sec. 514) The Senate did not concur.
14. **Foster Care Contracts.** The Governor's recommendation did not require implementation of a performance-based managed care approach to program service contracting. (Sec. 515) The Senate included current year language.
15. **Runaway Youth.** The Senate provides a rate increase for service providers. (Sec. 561)
16. **Food Assistance Program.** The Governor's recommendation provided State Budget Director approval for increased Federal authority for needed State spending. (Sec. 620) The Senate did not include.
17. **Kinship Care.** The Governor's proposal did not include legislative intent regarding grant discrepancy. (Sec. 670)
18. **Early Childhood Investment Corporation (ECIC).** The Governor did not require report to the Legislature on cost and revenue implications. (Sec. 678) The Senate included current year language.
19. **FIP Diversion Program.** The Senate prohibits recipient's receipt of additional program benefits and requires a monthly reporting requirement. (Sec. 682)
20. **Child Support Incentives.** The Governor's proposal included new language clarifying use of revenue. (Sec. 901) The Senate concurred.
21. **High Risk Investigations.** The Senate provided funds for 20.0 positions for licensing investigators.

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Fiscal Analyst: Constance Cole

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.