



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

FY 2005-06 Year-to-Date Gross Appropriation	\$4,433,496,200
--	------------------------

Changes from FY 2005-06 Year-to-Date:

Items Included by the House and Senate

- | | |
|--|--------------|
| 1. Program Transfers. The budget included the Michigan Community Service Commission transfer from the Department of Labor and Economic Growth. | 9,391,900 |
| 2. Technology. The budget included an increase of \$5.5 million and \$4.8 million for the BRIDGES Program and the SDU contract, respectively, \$3.9 million in a contract reduction, and \$18.8 million one-time arrearage program revenue removed. The FY 2005-06 child support supplemental reduced restricted revenue. | (13,049,500) |
| 3. Fund Shifts. The budget included 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 |
| 4. Other Revenue Increases. The budget included Federal increases: Children's Trust Fund (CTF) Grants \$237,800, disability determination medical examinations \$2.4 million. \$600,000 in restricted revenue for Court Fees. Conferees added \$208,400 and 3.7 FTEs in CFT administration. | 3,485,600 |
| 5. Economic Adjustments. | 41,246,300 |

Conference Agreement on Items of Difference

- | | |
|---|--------------|
| 6. Caseloads. The budget included Adoption Subsidies, Child Care Fund, Food Assistance, State Disability Assistance and SSI State Supplementation increases. Also reductions in Day Care Services and FIP, but no change for Foster Care. The Senate included \$2.0 million for advocacy project, \$4.4 million for foster care rate increase and \$5 million for FIP Basic education. The Conferees included consensus \$11.1 million GF increase. | 33,202,900 |
| 7. Program Enhancements. The budget included \$1.8 million for 51.2 Child Protective Services (CPS) FTEs, and \$2.5 million Gross for 38.0 FTEs to reduce Medicaid payment errors. FY 2006 supplemental for child and family services, staff positions and FIP reduced the FY 2007 budget. The Senate included 5.0 more CPS FTEs, 20.0 high risk OCAL investigations, and \$1 million for incentive payments. The Conferees included incentives, 5.0 OCAL investigators. | 2,128,500 |
| 8. Federal TANF Funded Programs. The budget had \$1.2 million reduction for Fatherhood and Marriage Initiatives, and Earned Income Tax Credit (EITC) outreach, but Boys and Girls Clubs GF funds. The Senate includes \$3.07 million for Marriage and Fatherhood Initiative, EITC, and crisis prevention. Conferees concurred, but less for crisis prevention. | 3,075,000 |
| 9. State Funds Savings. The budget included \$10.98 million in Welfare Reform Jobs, Education and Training (JET) Pilot, \$3.6 million Front-End Eligibility Pilot, and \$5.0 million Child Care. The Senate included \$3 million Child Care Fund, \$9.3 million JET expansion, and \$5 million Day Care. The Conferees included \$5.4 million more JET savings. | (44,313,900) |
| 10. Other Changes. The Smoking Cessation Pilot, the Pontiac School-Based Crisis Intervention Project, and services optimization positions were reduced. The Senate included the Smoking Cessation, Pontiac, and day care pilots. The Conferees concurred. | (507,700) |

Total Changes	\$34,659,100
---------------------	--------------

FY 2006-07 Conference Report Gross Appropriation	\$4,468,155,300
---	------------------------

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2005-06 Year to Date:Items Included by the House and Senate

1. **Contingency Funds.** The Governor recommended additional funds through transfers approved by the Legislature. (Sec. 206) The House and Senate did not concur.
2. **TANF Reporting.** The Governor did not include subsection (2) notifying the Legislature on TANF and MOE spending. (Sec. 218) The House and Senate concurred.
3. **Faith-Based Organizations.** The Governor did not include language establishing the use of State funds for sectarian activity in program services. (Sec. 220) The House and Senate did not concur.
4. **Medicaid Eligibility.** The Governor did not include a 60-day standard of promptness for determinations and a 45-day standard on nursing home patient applications. (Sec. 223) and (Sec. 224) The House Senate did not concur.
5. **Local Office Consolidation.** The Governor did not include the county office restructuring and consolidation plan. (Sec. 261) The House and Senate included the language.
6. **Kinship Care.** The House and Senate included program benefit discrepancy language. (Sec. 670)
7. **Child Support Incentives.** The Governor outlined revenue use. (Sec. 901) The House and Senate concurred.

Conference Agreement on Items of Difference

8. **Budgetary Savings.** The Conferees included that the negative appropriation in part 1 be satisfied by department identified savings and subject to legislative approval of transfers required by the State management and budget act. (Sec. 282)
9. **Crisis Prevention.** The Conferees included \$70,000 for elder food outreach, \$75,000 Barry County domestic violence, \$50,000 Kent and Muskegon food outreach, and \$100,000 for Ann Arbor and Lansing homeless prevention projects. (Sec. 423)
10. **Wayne County Family Preservation.** The Conferees agreed up to \$2 million for home-based youth programs. (Sec. 565)
11. **Indigent Burial.** The Conferees included a pilot project for State only payments for services in specific counties. (Secs. 611 and 613)
12. **Child Day Care.** The Conferees included family notification with in 24 hours whether a provider is on the child abuse registry. (Sec. 635)
13. **Youth Commonwealth.** The Conferees included \$126,500 for an after-school and summer day programs. (Sec. 658)
14. **Early Childhood Investment Corporation (ECIC).** The Conferees required a report on the ECIC expenditures. (Sec. 678)
15. **Child Support Collections.** The Conferees agreed to subject additional collections under this section to legislative appropriation. (Sec. 907)
16. **Office of Children and Adult Licensing.** The Conferees required the department to hire five additional at risk investigators. (Sec. 1004)

Date Completed: 7-14-06

Fiscal Analyst: Constance Cole