



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



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

Senate Bill 1090 (S-1, Draft 1 as reported)  
Committee: Appropriations

<b>FY 2005-06 Year-to-Date Gross Appropriation .....</b>	<b>\$4,427,975,000</b>
<b>Changes from FY 2005-06 Year-to-Date:</b>	
1. <b>Caseloads.</b> 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. <b>Program Enhancements.</b> 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. <b>Technology.</b> 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. <b>Program Transfers.</b> The Governor recommended the transfer from the Department of Labor and Economic Growth of the Michigan Community Service Commission.	9,391,900
5. <b>Federal TANF Funded Programs.</b> 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. <b>Fund Shifts.</b> 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. <b>Other Revenue Increases.</b> 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. <b>Savings in State Funds.</b> 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. <b>Economic Adjustments.</b>	41,246,300
10. <b>Other Changes.</b> 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 and day care pilots.	507,800
11. <b>Comparison to Governor's Recommendation.</b> The Senate bill is \$31,600 Gross over the Governor and \$3,215,300 GF/GP under the Governor.	
<b>Total Changes.....</b>	<b>\$43,861,100</b>
<b>FY 2006-07 Senate Appropriations Subcommittee Gross Appropriation .....</b>	<b>\$4,471,836,100</b>

**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. **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.
10. **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.
11. **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.
12. **Child Protective Services.** The Governor's proposal did not require a report to the Legislature. (Sec. 514) The Senate did not concur.
13. **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.
14. **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.
15. **Kinship Care.** The Governor's proposal did not include legislative intent regarding grant discrepancy. (Sec. 670)
16. **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.
17. **Child Support Incentives.** The Governor's proposal included new language clarifying use of revenue. (Sec. 901) The Senate concurred.
18. **High Risk Investigations.** The Senate provided funds for 20.0 positions for licensing investigators.

Date Completed: 05-22-06

Fiscal Analyst: Constance Cole