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 BILL ANALYSIS

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House Bill 5404

**PUBLIC ACT 1 OF 2010**

Sponsor: Representative George Cushingberry

House Committee: Appropriations

Senate Committee: Appropriations

Date Completed: 1-25-10

**CONTENT**

House Bill 5404, approved by the House of Representatives on December 10, 2009, would make supplemental appropriations for fiscal year (FY) 2009-10. The bill contains \$4.9 million of Gross appropriations for the Department of Agriculture, the Department of Human Services, and the Department of Transportation. The supplemental appropriations are Federal funds resulting from provisions of the American Recovery and Reinvestment Act of 2009 (ARRA). The line-item appropriations in H.B. 5404 were based on recommendations to the Legislature by the Office of the State Budget (OSB) submitted on October 21, 2009, November 17, 2009, and January 12, 2010. The table below provides a summary of the line-item appropriations contained in the bill.

FY 2009-10 Supplemental Appropriations House Bill 5404 (actual dollars)						
	Office of the State Budget		House-Passed		Senate-Passed	
Department/Program	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP
<b>Agriculture</b>						
Aquaculture Programs .....	\$22,300	\$0	\$22,300	\$0	\$22,300	\$0
<b>Human Services</b>						
Transitional Housing Grants.....	2,000,000	0	2,000,000	0	2,000,000	0
Faith Based Grants .....	250,000	0	250,000	0	250,000	0
<b>Transportation</b>						
Bus Capital Grants .....	2,590,000	0	0	0	2,590,000	0
<b>Total Suppl. Appropriations.</b>	<b>\$4,862,300</b>	<b>\$0</b>	<b>\$2,272,300</b>	<b>\$0</b>	<b>\$4,862,300</b>	<b>\$0</b>

**Line-Item Appropriations**

**Department of Agriculture:** The bill would appropriate \$22,300 of Federal ARRA funding to be used to support aquaculture producers in Michigan.

**Department of Human Services:** The bill would appropriate \$2.0 million of Federal ARRA funding to provide transitional housing assistance for individuals who are homeless. The funds are available to support individuals who are dealing with a situation of domestic violence, sexual abuse, or stalking. The bill also would appropriate \$250,000 of Federal

ARRA funding and the authorization for two full-time equated positions to assist and provide training to faith-based and neighborhood organizations to increase volunteer services in communities.

**Department of Transportation:** The bill would appropriate \$2.6 million for bus capital grants. Based on the Federal funding formula, the funds would be provided to the Thunder Bay Transportation Authority, located in Alpena. The State of Michigan would act as the financial agent for these Federal ARRA funds, which would be used by the local transportation authority to purchase four diesel-electric hybrid buses.

### **Boilerplate Language Sections**

**Sec. 201.** Reports on total State spending and payments to local units of government in the bill.

**Sec. 202.** Subjects the appropriations in the bill to provisions of the Management and Budget Act.

**Sec. 203.** Specifies that the appropriations in the bill financed by Federal ARRA funds are temporary in nature.

**Sec. 210.** Permits the appropriation of any additional Federal funds awarded to the State due to recalculation of formulas and under the redistribution provisions in ARRA and requires a report to the Legislature on any such appropriation.

**Sec. 211.** Establishes work project status for any funds appropriated in the bill that are not spent during the fiscal year.

**Sec. 212.** Requires that local governments and eligible subrecipients receiving ARRA funds comply with all of the reporting and expenditure requirements of ARRA.

**Sec. 301.** The House-passed bill included language to permit the Department of Human Services to establish a pilot project to allow for direct cremation of bodies of indigent persons that are not claimed by a responsible party. The Senate substitute does not include this language, which was vetoed by the Governor in the original FY 2009-10 Department of Human Services appropriation bill.

**Sec. 401.** The House-passed bill included legislative intent language that the Department of State make handicap-accessible bathrooms available to the public at each branch office. The Senate substitute does not include this language.

### **FISCAL IMPACT**

The bill would appropriate \$4.9 million of Federal ARRA funds and marks the 13<sup>th</sup> bill appropriating ARRA funds approved by the Michigan Legislature.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.