

**SUBSTITUTE FOR
SENATE BILL NO. 138**

(As amended, June 16, 2011)

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2011; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2011, from the following funds:

APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$<<346,268,000>>
Total interdepartmental grants and intradepartmental	
transfers	0

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1	ADJUSTED GROSS APPROPRIATION.....	\$ <<346,268,000>>
2	Total federal revenues.....	226,569,400
3	Total local revenues.....	(5,018,500)
4	Total private revenues.....	407,200
5	Total other state restricted revenues.....	23,242,700
6	State general fund/general purpose.....	\$ <<101,067,200>>
7	Sec. 102. DEPARTMENT OF COMMUNITY HEALTH	
8	(1) APPROPRIATION SUMMARY	
9	GROSS APPROPRIATION.....	\$ 339,916,700
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers	0
13	ADJUSTED GROSS APPROPRIATION.....	\$ 339,916,700
14	Federal revenues:	
15	Total federal revenues.....	239,444,100
16	Total federal revenues (ARRA)	7,216,000
17	Special revenue funds:	
18	Total local revenues.....	0
19	Total private revenues.....	807,200
20	Merit award trust fund.....	(1,987,500)
21	Total other state restricted revenues.....	(7,900,000)
22	State general fund/general purpose.....	\$ 102,336,900
23	(2) COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE	
24	SERVICES PROGRAMS	
25	Medicaid mental health services.....	\$ 118,774,900
26	Medicaid adult benefits waiver.....	11,292,200

1	Medicaid substance abuse services	3,758,300
2	Community substance abuse, education, and treatment	
3	programs	<u>2,929,400</u>
4	GROSS APPROPRIATION.....	\$ 136,754,800
5	Appropriated from:	
6	Federal revenues:	
7	Total federal revenues	90,508,600
8	Federal revenues (ARRA)	7,758,000
9	State general fund/general purpose	\$ 38,488,200
10	(3) FAMILY, MATERNAL, AND CHILDREN'S HEALTH	
11	SERVICES	
12	Dental programs	\$ 60,000
13	Family, maternal, and children's health services	
14	administration	684,200
15	Special projects	<u>857,200</u>
16	GROSS APPROPRIATION.....	\$ 1,601,400
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues	794,200
20	Special revenue funds:	
21	Total private revenues	807,200
22	State general fund/general purpose	\$ 0
23	(4) CHILDREN'S SPECIAL HEALTH CARE SERVICES	
24	Medical care and treatment	\$ <u>43,366,800</u>
25	GROSS APPROPRIATION.....	\$ 43,366,800
26	Appropriated from:	
27	Federal revenues:	

1	Total federal revenues.....	24,554,300
2	State general fund/general purpose.....	\$ 18,812,500
3	(5) MEDICAL SERVICES ADMINISTRATION	
4	Electronic health record incentive program.....	\$ <u>136,957,900</u>
5	GROSS APPROPRIATION.....	\$ 136,957,900
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues.....	133,317,100
9	State general fund/general purpose.....	\$ 3,640,800
10	(6) MEDICAL SERVICES	
11	Hospital services and therapy.....	\$ (41,299,700)
12	Physician services.....	4,198,300
13	Medicare premium payments.....	(10,547,100)
14	Pharmaceutical services.....	(56,565,000)
15	Home health services.....	225,100
16	Auxiliary medical services.....	(1,466,800)
17	Dental services.....	(1,404,600)
18	Ambulance services.....	(705,500)
19	Long-term care services.....	29,332,100
20	Medicaid home- and community-based services waiver...	0
21	Adult home help services.....	(1,196,700)
22	Personal care services.....	95,800
23	Health plan services.....	69,063,300
24	Medicaid adult benefits waiver.....	37,023,700
25	Federal Medicare pharmaceutical program.....	(5,517,100)
26	Subtotal basic medical services program.....	<u>21,235,800</u>
27	GROSS APPROPRIATION.....	\$ 21,235,800

1	Appropriated from:		
2	Federal revenues:		
3	Total federal revenues.....		(9,730,100)
4	Federal FMAP stimulus (ARRA)		(542,000)
5	Special revenue funds:		
6	Merit award trust fund.....		(1,987,500)
7	Total other state restricted revenues		(7,900,000)
8	State general fund/general purpose	\$	41,395,400
9	Sec. 103. DEPARTMENT OF HUMAN SERVICES		
10	(1) APPROPRIATION SUMMARY		
11	GROSS APPROPRIATION.....	\$	(30,925,900)
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		0
15	ADJUSTED GROSS APPROPRIATION.....	\$	(30,925,900)
16	Federal revenues:		
17	Total federal revenues.....		(23,487,700)
18	Special revenue funds:		
19	Total local revenues.....		(5,018,500)
20	Total private revenues.....		(400,000)
21	Total other state restricted revenues		0
22	State general fund/general purpose	\$	(2,019,700)
23	(2) CHILDREN'S RIGHTS SETTLEMENT		
24	Foster care payments.....	\$	(12,314,600)
25	Child care fund.....		(11,032,400)
26	Adoption subsidies.....		<u>(10,445,200)</u>

1	GROSS APPROPRIATION.....	\$	(33,792,200)
2	Appropriated from:		
3	Federal revenues:		
4	Total other federal revenues.....		(27,631,000)
5	Special revenue funds:		
6	Private - collections.....		(400,000)
7	Local funds - county chargeback.....		(5,018,500)
8	State general fund/general purpose.....	\$	(742,700)
9	(3) PUBLIC ASSISTANCE		
10	Family independence program.....	\$	(5,260,100)
11	State disability assistance payments.....		(2,612,800)
12	State supplementation.....		1,335,800
13	Licensed and registered child development and care ...		8,198,800
14	Enrolled child development and care.....		<u>1,204,600</u>
15	GROSS APPROPRIATION.....	\$	2,866,300
16	Appropriated from:		
17	Federal revenues:		
18	Total other federal revenues.....		4,143,300
19	State general fund/general purpose.....	\$	(1,277,000)
20	Sec. 104. DEPARTMENT OF TRANSPORTATION		
21	(1) APPROPRIATION SUMMARY		
22	GROSS APPROPRIATION.....	\$	3,397,000
23	Interdepartmental grant revenues:		
24	Total interdepartmental grants and intradepartmental		
25	transfers		0
26	ADJUSTED GROSS APPROPRIATION.....	\$	3,397,000

1	Federal revenues:		
2	Total other federal revenues		0
3	DOT, federal aviation administration, grants-in-aid		
4	for airports (ARRA)	3,397,000	
5	Special revenue funds:		
6	Total local revenues		0
7	Total private revenues		0
8	Total other state restricted revenues		0
9	State general fund/general purpose	\$	0
10	(2) AIRPORT IMPROVEMENT PROGRAMS		
11	Airport safety, protection, and improvement program		
12	(ARRA)	\$	<u>3,397,000</u>
13	GROSS APPROPRIATION	\$	3,397,000
14	Appropriated from:		
15	Federal revenues:		
16	DOT, federal aviation administration, grants-in-aid		
17	for airports (ARRA)	3,397,000	
18	State general fund/general purpose	\$	0
19	Sec. 105. DEPARTMENT OF TREASURY		
20	(1) APPROPRIATION SUMMARY		
21	GROSS APPROPRIATION	\$	33,130,200
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		0
25	ADJUSTED GROSS APPROPRIATION	\$	33,130,200
26	Federal revenues:		

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1	Total federal revenues.....		0
2	Special revenue funds:		
3	Total local revenues.....		0
4	Total private revenues.....		0
5	Total other state restricted revenues.....	33,130,200	
6	State general fund/general purpose.....	\$	0
7	(2) REVENUE SHARING		
8	Constitutional state general revenue sharing grants ..	\$	18,792,100
9	Statutory state general revenue sharing grants		<u>14,338,100</u>
10	GROSS APPROPRIATION.....	\$	33,130,200
11	Appropriated from:		
12	Special revenue funds:		
13	Sales tax.....	33,130,200	
14	State general fund/general purpose.....	\$	0
	<<Sec. 106. DEPARTMENT OF STATE POLICE		
	(1) APPROPRIATION SUMMARY		
	GROSS APPROPRIATION.....	\$	750,000
	Interdepartmental grant revenues:		
	Total interdepartmental grants and intradepartmental transfers		0
	ADJUSTED GROSS APPROPRIATION.....	\$	750,000
	Federal revenues:		
	Total federal revenues.....		0
	Special revenue funds:		
	Total local revenues.....		0
	Total private revenues.....		0
	Total other state restricted revenues.....		0
	State general fund/general purpose.....	\$	750,000
	(2) EMERGENCY MANAGEMENT		
	Disaster contingency fund.....	\$	<u>750,000</u>
	GROSS APPROPRIATION.....	\$	750,000
	Appropriated from:		
	State general fund/general purpose.....	\$	750,000>>

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PART 2

16

PROVISIONS CONCERNING APPROPRIATIONS

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17 **GENERAL SECTIONS**

18 Sec. 201. In accordance with the provisions of section 30 of
19 article IX of the state constitution of 1963, total state spending
20 from state resources in this appropriation act for the fiscal year
21 ending September 30, 2011 is <<\$124,309,900.00>> and state
22 appropriations paid to local units of government are
23 \$71,618,400.00. The itemized statement below identifies
24 appropriations from which spending to local units of government
25 will occur:

1	Medicaid mental health services.....	\$	34,159,700
2	Medicaid adult benefits waiver.....		3,247,600
3	Medicaid substance abuse services.....		1,080,900
4	Constitutional state general revenue sharing grants ..		18,792,100
5	Statutory state general revenue sharing grants		<u>14,338,100</u>
6	TOTAL.....	\$	71,618,400

7 Sec. 202. The appropriations authorized under this act are
8 subject to the management and budget act, 1984 PA 431, MCL 18.1101
9 to 18.1594.

10 Sec. 203. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount equal to any additional federal
12 funding awarded to this state through recalculation of formulas and
13 under the redistribution provisions of the American recovery and
14 reinvestment act of 2009, Public Law 111-5.

15 (2) Within 30 days of receiving such an award, a department
16 shall report to the senate and house appropriations subcommittees,
17 senate and house fiscal agencies, state budget director, and the
18 governor on the amount of funds received and the purposes for which
19 they will be spent.

20 Sec. 204. The unexpended funds from appropriations in part 1
21 designated as ARRA funding and any unencumbered or unallotted funds
22 from those appropriations are carried forward into the succeeding
23 fiscal year. The following is in compliance with section 451a(1) of
24 the management and budget act, 1984 PA 431, MCL 18.1451a:

25 (a) The purposes of the projects to be carried forward are to
26 protect and invest in the natural resources, infrastructure, and
27 people of the state of Michigan in accordance with the provisions

1 of the American recovery and reinvestment act of 2009, Public Law
2 111-5.

3 (b) The projects will be accomplished by state employees and
4 by contract.

5 (c) The total estimated cost of all projects is identified in
6 each line-item appropriation.

7 (d) The tentative completion date is September 30, 2013.

8 Sec. 205. (1) In a form and manner determined by the recipient
9 department, local governments and other eligible subrecipients
10 receiving funds through this act shall comply with all requirements
11 corresponding to the receipt of funds, including, but not limited
12 to, any certifications, assurances, and accountability and
13 transparency provisions required in the American recovery and
14 reinvestment act of 2009, Public Law 111-5.

15 (2) Funds appropriated in part 1 may be transferred to
16 subrecipient state departments or agencies in an interdepartmental
17 grant consistent with the requirements of the American recovery and
18 reinvestment act of 2009, Public Law 111-5.

19 **CAPITAL OUTLAY**

20 Sec. 250. The cost to construct the Bay City state police post
21 project, initially authorized for construction in 2008 PA 278, and
22 subsequently adjusted in 2010 PA 27, is hereby increased by
23 \$500,000.00, from \$3,200,000.00 to \$3,700,000.00 (total state
24 building authority share \$3,699,900.00, state general fund share
25 \$100.00).

1 **DEPARTMENT OF STATE**

2 Sec. 301. (1) Unexpended and unencumbered amounts of funds
3 remaining in accounts appropriated in section 401 of 2007 PA 142,
4 for implementing the help America vote act of 2002, 42 USC 15301 to
5 15545, for the secretary of state shall be reappropriated for the
6 fiscal year ending September 30, 2011 in an appropriation line item
7 entitled help America vote act.

8 (2) The funds shall remain available for expenditure to
9 implement provisions of the help America vote act of 2002, 42 USC
10 15301 to 15545, section 37 of the Michigan election law, 1954 PA
11 116, MCL 168.37, and other election reforms. Consistent with the
12 help America vote act of 2002, 42 USC 15301 to 15545, the
13 unexpended funds reappropriated into the help America vote act line
14 item are considered work project appropriations and any
15 unencumbered or unallotted funds are carried over into succeeding
16 fiscal years. The following is in compliance with section 451a(1)
17 of the management and budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the project is to implement provisions of
19 the help America vote act of 2002, 42 USC 15301 to 15545, section
20 37 of the Michigan election law, 1954 PA 116, MCL 168.37, and other
21 election reforms.

22 (b) These projects will be accomplished by state employees, by
23 contracts with private vendors, or by grants to local units of
24 government.

25 (c) The total estimated cost of these projects is
26 \$7,705,300.00.

27 (d) The tentative completion date for these projects is

1 September 30, 2015.