



Senate Fiscal Agency
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Senate Bill 232 (S-1, as reported)
Committee: Appropriations

Throughout this document Senate means Subcommittee.

FY 2006-07 Year-to-Date Gross Appropriation	\$4,500,286,600
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Changes from FY 2006-07 Year-to-Date:

1. **Caseloads.** The Governor increased Adoption Subsidies by 887 cases, State Disabilities Assistance by 596 cases, and SSI State Supplementation by 3,011 cases; reduced Family Independence Program (FIP) by 6,900 cases and Foster Care by 38 cases. The Senate reduced FIP by 12,136 cases. (11,770,400)
2. **New Programs and Expansions.** The Governor recommended: 257 FTEs for Child Welfare Improvements \$39.5 million Gross, \$35.0 million GF, and State-wide expansion of the Jobs, Education and Training Program \$18.1 million Gross, \$16.3 million GF. The Senate proposed \$44.7 million Gross, \$23.6 million GF for private agencies; CWI \$6.9 million Gross, GF reduction. 95,441,800
3. **Federal Program Changes.** The Governor recognized: increases of \$2.6 million for the Nutrition Program, \$400,000 for the Child Abuse and Neglect Grant, \$1.8 million for new demonstration projects; and a reduction of \$1.3 million in the juvenile services block grant. 3,542,700
4. **Fund Shifts.** The Governor recommended fund shifts: TANF to \$8.1 million in other Federal and local funds; TANF and Title IV-D to \$43.0 million GF; \$4.3 million in FMAP rate increase; an IDG to DCH of \$1.9 million Gross and \$822,700 of Budgetary Savings are eliminated. A \$3.3 million Gross restricted revenue shortfall replaced with \$1.5 million GF/GP. (7,651,300)
5. **Program Reductions.** The Governor recommended policy savings of \$27.6 million Day Care Services and \$53.8 million FIP; program cuts \$4.0 million FAP reinvestment, Indigent Burial \$0.8 million. The Senate restored \$500,000 in Indigent Burial. (84,414,900)
6. **IT Adjustments.** The Governor recommended IT systems increases of \$17.3 million Gross, \$9.3 million GF for the Integrated Service Delivery System (Bridges) development. Also recommended is reduction of \$297,800 Gross, \$119,200 GF. 17,080,000
7. **Staffing Allocations.** The Governor recommended increases of \$240,000 Gross, \$0 GF for 1.0 FTE Children's Trust Fund, and \$118,700 Gross, GF for County Juvenile Officers. The Senate reduced 834.0 foster care and juvenile justice staff (\$63.9) million Gross, (\$25.6) million GF; adds 4.0 FTEs for Title IVE office. (30,591,500)
8. **Legislative Initiatives.** The Governor cut \$3.2 million Marriage and Fatherhood, \$3.8 million Gross, \$25,500 GF for Teenage Parent Counseling, and \$7.8 million Gross, \$0.3 million GF in following programs: CAA's and Before- and After-School TANF funding, Black Child & Family, Boys and Girls Clubs, MiCAFE, Crisis Homeless, and MI After-School. The Senate restored cuts except for Lansing and Washtenaw Crisis, and added funds for Barry County DV services, EITC, GR Commonwealth, MSU Kinship, Pontiac Center, Wayne County prevention, and MI 2-1-1. 1,648,200
9. **Economic Adjustments.** 35,540,500
10. **Other Changes.** The Governor recommended elimination of \$350,000 Gross, \$245,000 GF for audio video equipment, \$1.5 million Gross, GF for early retirement payouts made between FY 2002-03 and FY 2006-07 and \$1.0 million for contracted services, supplies and materials. The Senate restored the video allocation. (2,989,800)
11. **Comparison to Governor's Recommendation.** The Senate is \$50.8 million Gross, \$56.1 million GF/GP under the Governor.

Total Changes.....	\$15,835,300
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FY 2007-08 Senate Appropriations Committee Gross Appropriations	\$4,516,121,900
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Changes from FY 2006-07 Year to Date:

1. **Payments to Local Units of Government.** The Governor proposed a \$10.0 million increase. The Senate concurred with the Governor's proposal. (Sec. 201)
2. **Privatization Evaluation.** The Governor's proposal did not include the mandate for a project plan. The Senate did not concur. (Sec. 207)
3. **Faith-based Organizations.** The Governor's recommendation did not provide contract restrictions for religious organizations and non-sectarian services. The Senate did not concur. (Sec. 220)
4. **Rapid Re-determination.** The Governor did not require Medicaid rapid re-determination for nursing home patients within 45 days. The Senate did not concur. (Sec.225)
5. **Department Local Office Consolidations.** The Governor's proposal does not include a mandate to develop and implement a plan to restructure county offices. The Senate did not concur. (Sec. 261)
6. **Revenue Maximization Contract.** The Governor's recommendation includes changes to increase revenues, a quarterly report on project efforts and savings achieved. The Senate did not concur. (Sec. 278)
7. **Legislative Initiatives.** The Governor's recommendation eliminates language sections related to the initiatives. The Senate did not concur. (Secs. 304, 306, 307, 419, 420, 423(1)(2) (3), 424, 560, 565, 657, 658,668, 676(2), 753)
8. **Weatherization Program.** The Senate recommended \$3.0 million from LIHEAP allocated to Community Action Agencies. (Sec. 302 (2))
9. **Foster Care Performance Based Contracts.** The Governor's proposal includes continued implementation and a report of the agencies' permanency achievement status. The Senate proposed the use of contracts. (Sec. 515)
10. **Fatherhood and Marriage.** The Governor's recommendation rennumbers Secs. 415 and 416, eliminates "responsible fatherhood" and "healthy marriage promotions" funds. The Senate did not concur. (Secs. 568 and 569)
11. **Private FC Direct Services.** The Senate recommended licensed, non-profit private agencies' contracted service delivery. (Sec. 566)
12. **Title IV-E Funds.** The Senate recommended a policy review of residential facilities' eligibility with a goal of maximizing funds available for the State (Sec. 567) and a compliance and accountability office. (Sec. 571)
13. **Child Welfare Improvements.** The Senate proposed private sector competition for direct service funds. (Sec. 568)
14. **Jobs, Education and Training (JET).** The Governor's recommendation includes language stating that FY 2007-08 State-wide expansion of the JET pilot program funds shall not be allocated until program savings have been achieved. (Sec. 682)
15. **Legal Aid Society Payments.** The Senate recommended four quarterly payments for assistance to individuals qualifying for supplemental security income benefits. (Sec. 683)
16. **Medicaid Report.** The Senate required a report on recipient's application, coverage and coverage denials due March 1, 2008. (Sec. 684)
17. **Delinquency Direct Services.** The Senate recommended licensed, non-profit private agencies' be contracted to provide service delivery. (Sec. 724)
18. **Family Resource Centers.** The Governor's recommendation mandates a August 2008 report that includes budget implications and outcomes. The Senate did not concur. (Sec. 751)
19. **Private Agencies' Staff Training.** The Governor's proposal rennumbers Section 421 language that permits agencies to conduct their own training. The Senate concurred. (Sec. 754)
20. **Lead Testing.** The Governor's proposal does not include a mandate to provide lead testing in day care facilities. The Senate did not concur. (Sec. 1003)
21. **Performance Based Licensing System.** The Governor's recommendation mandates implementation of a model to assure compliance with policies and statutory mandates. The Senate revised the section. (Sec. 1005)

Date Completed: 7-30-07

Fiscal Analyst: Constance Cole

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

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