



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 232 (as introduced)

Committee: Appropriations

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|--|------------------------|
| FY 2006-07 Year-to-Date Gross Appropriation | \$4,468,135,300 |
| Changes from FY 2006-07 Year-to-Date: | |
| 1. Caseloads. The Governor increased Adoption Subsidies by 567 cases, State Disabilities Assistance by 590 cases, Family Independence Program (FIP) by 18,165 cases, provided \$5.0 million for the Child Care Fund; reduced for Foster Care by 38 cases and SSI State Supplementation by 3,333 cases. The Senate increased FIP by 12,929 cases. | 60,095,500 |
| 2. New Programs and Expansions. The Governor recommended: 257 FTEs for Child Welfare Improvements \$39.5 million Gross, \$35.0 million GF, and Statewide expansion of the Jobs, Education and Training Program \$18.1 million Gross, \$16.3 million GF. The Senate proposed \$40.1 million Gross, \$20.1 million GF for private agencies. | 97,753,100 |
| 3. Federal Program Changes. The Governor recognized: increases of \$4.5 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. | 5,456,700 |
| 4. Fund Shifts. The Governor recommended fund shifts: TANF to \$11.3 million in other Federal; 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. | (4,438,500) |
| 5. Program Reductions. The Governor recommended policy savings of \$28.6 million Day Care Services and \$60.4 million FIP; program cuts \$4.0 million FAP reinvestment, Indigent Burial \$1.5 million. The Senate restored \$500,000 in Indigent Burial. | (96,068,900) |
| 6. IT Adjustments. The Governor recommended IT systems increases of \$14.0 million Gross, \$9.3 million GF for the Integrated Service Delivery System (Bridges) development and \$2.2 million Gross, \$0 GF for Child Support Automation to correct amount of available Federal funds. Also recommended is reduction of \$297,800 Gross, \$119,200 GF. | 15,884,300 |
| 7. Staffing Allocations. The Governor recommended increases of \$3.7 million Gross, \$0 GF for 45 FTEs Donated Funds positions and \$240,000 Gross, \$0 GF for 1.0 FTE Children's Trust Fund, and \$118,700 Gross, GF County Juvenile Officers. The Senate reduced 884.0 foster care and juvenile justice staff (\$76.5) million gross, (\$31.3) million GF. | (72,593,800) |
| 8. Legislative Initiatives. The Governor cut: \$3.2 million Marriage and Fatherhood and \$17.4 million Gross, \$2.9 million GF in non-Statewide programs: \$2.4 million CAA's TANF; \$2 million FOC incentives: eliminated \$3.6 million for Barry County domestic violence services, Boys and Girls Clubs, MiCAFE, Crisis Homeless, YIT increase, Pontiac School Center, R.E.A.D.Y Kits, GR Youth Commonwealth, Michigan After-School Partnership, Michigan 2-1-1, Wayne County prevention, and EITC. The Senate restored all but R.E.A.D.Y kits, CAA's TANF, YIT, and Lansing and Washtenaw Crisis. | (3,922,000) |
| 9. Economic Adjustments. | 35,540,500 |
| 10. Other Changes. The Governor recommended elimination of \$350,000 Gross, \$245,000 GF for audio video equipment and \$1.5 million Gross, GF for early retirement payouts made between FY 2002-03 and FY 2006-07. The Senate restored the audio equipment allocation. | (2,630,800) |
| Total Changes..... | \$35,076,100 |
| FY 2007-08 Governor's Recommendation..... | \$4,503,211,400 |

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. **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)
9. **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)
10. **Private FC Direct Services.** The Senate recommended licensed, non-profit private agencies' contracted service delivery. (Sec. 566)
11. **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)
12. **Child Welfare Improvements.** The Senate proposed private sector competition for direct service funds. (Sec. 568)
13. **Jobs, Education and Training (JET).** The Governor's recommendation includes language stating that FY 2007-08 Statewide expansion of the JET pilot program funds shall not be allocated until program savings have been achieved. (Sec. 682)
14. **Delinquency Direct Services.** The Senate recommended licensed, non-profit private agencies' be contracted to provide service delivery. (Sec. 724)
15. **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)
16. **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)
17. **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)
18. **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: 3-16-07

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