



Telephone: (517) 373-5383 Fax: (517) 373-1986 TDD: (517) 373-0543

House Bill 4310 (Substitute S-1 as passed by the Senate)

Sponsor: Representative George Cushingberry

House Committee: Appropriations Senate Committee: Appropriations

Date Completed: 6-25-09

CONTENT

House Bill 4310 (S-1) contains FY 2008-09 supplemental appropriations for Capital Outlay programs, the Department of Education, the Department of Human Services, and the Department of Transportation. The bill contains \$9.5 million of Gross appropriations, of which \$9.1 million are Federal funds, \$400,000 are State Restricted funds, and \$700 are General Fund/General Purpose (GF/GP) funds. All of the appropriations contained in the bill have been recommended for approval by the Office of the State Budget. The table below provides a summary of the line-item appropriations contained in the bill. Following the table is a brief description of the line-item appropriations.

	Gross Appropriations	GF/GP Appropriations
Capital Outlay		
Eastern Michigan University-Construction Authorization	\$100	\$100
Ferris State University-Construction Authorization	100	100
Jackson Community College-Construction Authorization	100	100
Kalamazoo Valley Community College-Construction Authorization	100	100
Mott Community College-Construction Authorization	100	100
Southwestern Michigan College-Construction Authorization	100	100
West Shore Community College-Construction Authorization	100	100
Education		
Longitudinal Data System for K-12	5,517,300	0
Human Services		
Additional Temporary Field Office Staff	3,123,900	0
Food Assistance Outreach	500,000	0
Transportation		
Rail Passenger Service	400,000	0

Capital Outlay

The bill contains the final construction authorization for seven construction projects at universities and community colleges. These construction projects will be financed by bonds issued by the State Building Authority and funds provided by the universities or community colleges. The enactment of these appropriations would allow construction to begin on these education facilities. The projects are the following:

Eastern Michigan University: Pray-Harrold renovations. Total project cost of \$42.0 million with \$31.5 million financed by the State Building Authority and \$10.5 million financed by the university.

Ferris State University: Center for Collaborative Health Building. Total project cost of \$26.9 million with \$20.2 million financed by the State Building Authority and \$6.7 million financed by the university.

Jackson Community College: Whiting Hall renovations. Total project cost of \$21.9 million with \$10.9 million financed by the State Building Authority and \$11.0 million financed by the college.

Kalamazoo Valley Community College: Texas Township campus expansion. Total project cost of \$12.0 million with \$6.0 million financed by the State Building Authority and \$6.0 million financed by the college.

Mott Community College: Library consolidation and renovations. Total project cost of \$8.2 million with \$4.1 million financed by the State Building Authority and \$4.1 million financed by the college.

Southwestern Michigan College: Technology building renovation and expansion. Total project cost of \$3.2 million with \$1.6 million financed by the State Building Authority and \$1.6 million financed by the college.

West Shore Community College: Arts and science center remodeling and additions. Total project cost of \$6.9 million with \$3.4 million financed by the State Building Authority and \$3.5 million financed by the college.

Department of Education

The bill would appropriate \$5.5 million in Federal grant funds for the development and implementation of a statewide longitudinal data system. This data system would provide State and school personnel with data about student achievement and learning through time. The additional Federal funds would be appropriated for the Office of Educational Assessment and Accountability.

Department of Human Services

The bill would provide \$3.1 million in Federal funding for the hiring of an additional 200.0 FTEs on a limited-term basis. These staff, who would be available until the end of FY 2009-10, would be allocated to eligibility determination in local DHS offices and were requested in response to significant increases in applications for assistance through the Food Assistance and Medicaid programs. Food assistance cases increased by 10.1% over the first six months of FY 2008-09 and Medicaid cases increased by 3.8% over the same period of time. These staff would be funded with \$1.5 million in Federal Supplemental Nutrition Assistance Program (SNAP) administrative dollars available through the Federal American Recovery and Reinvestment Act of 2009 (ARRA).

The bill also would use \$500,000 in ARRA funding for SNAP administrative functions for grants to Elder Law of Michigan and the Michigan Food Bank Council for food assistance outreach efforts.

Department of Transportation

The bill would provide for the appropriation of \$400,000 of State Restricted funding for passenger rail service. The source of the funding is the State Comprehensive Transportation

Fund. The initial State subsidy for Amtrak passenger rail service on the Pere Marquette line (Grand Rapids to Chicago) and the Blue Water line (Port Huron to Chicago) expires on June 30, 2009. This supplemental appropriation would allow this rail service to continue through the balance of FY 2008-09.

Boilerplate Language Sections

- **Sec. 201.** Contains reporting language on total State spending and payments to local units of government.
- **Sec. 202.** Provides that the appropriations are subject to statutory provisions in the Management and Budget Act.
- **Sec. 203.** Provides that the appropriations in the bill financed by Federal funds provided under the American Recovery and Reinvestment Act are temporary in nature.
- **Sec. 250.** Contains language that deals with the construction authorization of capital outlay projects for community colleges.
- **Sec. 251.** Requires the universities and the community colleges to meet their funding match requirements for the capital outlay construction projects authorized in the bill.
- **Sec. 252.** Requires documentation for universities and community colleges concerning the funding match requirements for capital outlay construction projects authorized in the bill.
- **Sec. 253.** Makes the State share of the capital outlay construction projects be subject to statutory authorization under the bonding capacity of the State Building Authority.
- **Sec. 254.** Provides for a change in the scope and cost of a previously authorized planning grant for a capital outlay project at Washtenaw Community College.
- **Sec. 301.** Provides work project authorization for the appropriation in the bill for the Department of Education.
- **Sec. 401.** Instructs the Department of Human Services to investigate the possibility of facilitating a program with parolees from the Department of Corrections to provide employment opportunities to help distribute donated food to food banks.
- **Sec. 501.** Instructs the Department of Transportation to use the appropriation in the bill to provide a subsidy for rail passenger service for the period July 1, 2009, through September 30, 2009.

FISCAL IMPACT

The bill contains \$9.5 million of supplemental appropriations for FY 2008-09. This includes \$3.6 million in Federal ARRA funds, \$5.5 million in non-ARRA Federal funding, \$400,000 from the Comprehensive Transportation Fund, and \$700 from GF/GP appropriations.

Fiscal Analyst: Gary Olson