HOUSE SUBSTITUTE FOR

SENATE BILL NO. 27

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2021; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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, 2021, from the following funds:

APPROPRIATION SUMMARY		
GROSS APPROPRIATION	**$**	**384,700,000**
Interdepartmental grant revenues:		

Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	**$**	**384,700,000**
Federal revenues:		
Total federal revenues		367,700,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	**$**	**17,000,000**

Sec. 102. DEPARTMENT OF EDUCATION

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	**$**	**105,000,000**
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	**$**	**105,000,000**
Federal revenues:		
Total federal revenues		105,000,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	**$**	**0**

(2) ONE-TIME APPROPRIATIONS

COVID-19 child care public assistance	$	105,000,000
GROSS APPROPRIATION	**$**	**105,000,000**
Appropriated from:		

Federal revenues:		
Federal funds		105,000,000
State general fund/general purpose	**$**	**0**

Sec. 103. DEPARTMENT OF HEALTH AND HUMAN SERVICES

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	**$**	**260,000,000**
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	**$**	**260,000,000**
Federal revenues:		
Total federal revenues		260,000,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	**$**	**0**
(2) ONE-TIME APPROPRIATIONS		
Hospital COVID-19 grants	$	160,000,000
Long-term care facility supports		100,000,000
GROSS APPROPRIATION	**$**	**260,000,000**
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		260,000,000
State general fund/general purpose	**$**	**0**

Sec. 104. DEPARTMENT OF STATE POLICE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION	**$**	**12,700,000**
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	**$**	**12,700,000**
Federal revenues:		
Total federal revenues		2,700,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	**$**	**10,000,000**
(2) SPECIALIZED SERVICES		
Secondary road patrol program	$	2,700,000
GROSS APPROPRIATION	**$**	**2,700,000**
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		2,700,000
State general fund/general purpose	**$**	**0**
(3) ONE-TIME APPROPRIATIONS		
Emergency and disaster response and mitigation	$	10,000,000
GROSS APPROPRIATION	**$**	**10,000,000**
Appropriated from:		
State general fund/general purpose	**$**	**10,000,000**
Sec. 105. DEPARTMENT OF TREASURY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	**$**	**7,000,000**
Interdepartmental grant revenues:		

Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	**$**	**7,000,000**
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	**$**	**7,000,000**
(2) ONE-TIME APPROPRIATIONS		
Wrongful imprisonment compensation fund	$	7,000,000
GROSS APPROPRIATION	**$**	**7,000,000**
Appropriated from:		
State general fund/general purpose	**$**	**7,000,000**

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2021 is $17,000,000.00 and total state spending from state sources to be paid to local units of government is $10,000,000.00.

Sec. 202. The appropriations made and expenditures authorized under this part and part 1 and the departments, commissions, boards, offices, and programs for which appropriations are made under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this act, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, inter-transfer funds within this act for the particular department, board, commission, office, or institution.

Sec. 204. Funds appropriated in part 1 are subject to applicable federal audit and reporting requirements. Prompt action shall be taken if instances of noncompliance are identified, including noncompliance identified in an audit finding. If any instance of noncompliance is identified, including noncompliance identified in an audit finding, the state budget director shall take necessary and immediate action to rectify it. The state budget director shall notify the senate and house appropriations committees and the senate and house fiscal agencies when an instance of noncompliance is identified.

Sec. 205. The state budget director shall report on the status of funds appropriated in part 1, and all funds appropriated related to the coronavirus relief effort, to the senate and house appropriations committees and the senate and house fiscal agencies on a monthly basis until all funds are exhausted.

DEPARTMENT OF EDUCATION

Sec. 301. (1) From the funds appropriated in part 1 for COVID-19 child care public assistance, the provider reimbursement rates for child care centers, group home providers, registered family homes, and licensed exempt providers are increased by 40% from the provider rates as of September 30, 2020, rounded up to the nearest $0.05.

(2) Rate increases funded under subsection (1) are effective from October 1, 2020 to September 30, 2021.

Sec. 302. From the funds appropriated in part 1 for COVID-19 child care public assistance, the department shall make payments to child care providers, beginning on June 28, 2021 and ending on September 30, 2021, for eligible children in the child development and care program based on enrollment rather than based on attendance.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 401. From the funds appropriated in part 1 for hospital COVID-19 grants, the department of health and human services shall provide grants to hospitals in this state to help cover increased hospital costs and reduced hospital revenue related to the COVID-19 pandemic. The grant to each hospital shall equal each hospital's percentage of total state Medicaid inpatient claims revenue, including Medicaid managed care inpatient claims revenue, in the most recent 12 months for which the information is available multiplied by the appropriation for hospital COVID-19 grants in part 1.

Sec. 402. (1) From the funds appropriated in part 1 for long-term care facility supports, the department of health and human services shall allocate $100,000,000.00 to provide a $23.00 per Medicaid day increase to nursing facilities that have experienced a 5% or greater decline in the nursing facility's average daily census during the last 3 calendar quarters of the fiscal year ending September 30, 2021 when compared to the nursing facility's average daily census as reported in the nursing facility's 2019 Medicaid cost report. A nursing facility may be eligible for reimbursement for 1 or all 3 calendar quarters based on each nursing facility's change in average daily census by calendar quarter.

(2) Each nursing facility may request from the department of health and human services the additional $23.00 per Medicaid day increase at the end of each calendar quarter. The request must include the average daily census as reported on the applicable 2019 Medicaid cost report based on total licensed beds, the actual applicable calendar quarter's average daily census, and a detailed weekly average daily census for the calendar quarter. The department of health and human services may request additional documentation to verify census. The request must also include the number of Medicaid days of care rendered for the applicable 2021 calendar quarter, including Medicaid integrated care organization days and healthy Michigan plan days.

(3) After receiving the request with all of the applicable information, the department of health and human services must remit payment to the nursing facility within 14 days. The department must reconcile payments under this section by no sooner than 92 days after September 30, 2021. As a condition of receiving funds appropriated in this section, the nursing facility must agree to any appropriate payment or recovery action for any over or under payment disclosed from this reconciliation process, and the department of health and human services must report to each nursing facility whether this reconciliation process identified any over or under payments.

DEPARTMENT OF STATE POLICE

Sec. 501. The funds appropriated in part 1 for emergency and disaster response and mitigation shall be used to cover costs related to the June 2021 weather events in this state.