

FY 2019-20 SUPPLEMENTAL APPROPRIATIONS
Summary: House Substitute
Senate Bill 745 (H-1)



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FY 2019-20 APPROPRIATIONS SUMMARY

Budget Area		FY 2019-20 Year-to-Date Appropriations	FY 2019-20 Supplemental Change	% Change
Labor and Economic Opportunity	Gross	\$1,581,244,900	\$2,870,143,400	181.5
	GF/GP	\$135,810,700	\$0	0.0
Natural Resources	Gross	\$440,341,400	\$8,000,000	1.8
	GF/GP	\$45,138,800	\$0	1.0
Treasury - Operations	Gross	\$1,336,509,800	\$9,000,000	0.7
	GF/GP	\$118,894,600	\$9,000,000	7.6
TOTAL	Gross	\$3,358,096,100	\$2,887,143,400	86.0
	GF/GP	\$299,844,100	\$9,000,000	3.0

Overview

The House Substitute for Senate Bill 745 contains supplemental appropriation adjustments for various state departments for FY 2019-20. Primarily, appropriations are funded with federal revenues awarded by the Federal Emergency Management Agency to cover the federally funded \$300 per week unemployment benefit costs and Unemployment Insurance Agency administrative costs. In sum, adjustments would increase Gross appropriations by \$2.9 billion and increase GF/GP appropriations by \$9.0 million.

Appropriation and boilerplate priorities are identified following this overview.

FY 2019-20 Supplemental Appropriation Items

**Appropriation
Change**

LABOR AND ECONOMIC OPPORTUNITY

1. Unemployment Benefit Payments

Includes \$2.8 billion to cover costs of paying an additional \$300 per week in Lost Wages Assistance Program unemployment benefits to eligible individuals. The appropriation would allow for an estimated nine weeks of benefit payments (August 1, 2020 through September 30, 2020). Benefit payments would continue until available federal emergency disaster relief funding is exhausted. Funding is also authorized to be used for staffing and other related expenses incurred for operations of the Lost Wages Assistance Program.

Gross **\$2,810,807,200**
 Federal 2,810,807,200
 GF/GP \$0

2. Unemployment Insurance Agency Administrative Costs

Includes \$59.3 million to cover staffing, information technology, and other related expenses incurred for operations of the Unemployment Insurance Agency.

Gross **\$59,336,200**
 Federal 59,336,200
 GF/GP \$0

NATURAL RESOURCES

3. Brandon Road Lock and Dam

Appropriates \$8.0 million from the Michigan Infrastructure Fund for construction of an invasive carp barrier at Brandon Road Lock and Dam in Illinois. The project is funded by Great Lakes states to prevent carp from entering Lake Michigan. General Fund was authorized for deposit into the Michigan Infrastructure Fund in 2018 PA 618 in anticipation of the project.

Gross **\$8,000,000**
 Restricted 8,000,000
 GF/GP \$0

TREASURY

4. Disaster Flood Cleanup – Midland and Gladwin Counties

Includes \$6.0 million GF/GP to be used as match for any federal funding made available for covering costs in Midland and Gladwin Counties associated with the disaster caused by flooding resulting from the May 19, 2020 failure of the Edenville and Sanford dams following high water levels.

Gross **\$6,000,000**
 GF/GP \$6,000,000

<u>FY 2019-20 Supplemental Appropriation Items</u>	<u>Appropriation Change</u>
5. Disaster Flood Cleanup – City of Detroit	Gross \$3,000,000
Includes \$3.0 million GF/GP to cover costs of flood response and mitigation efforts in the City of Detroit.	GF/GP \$3,000,000

FY 2019-20 Supplemental Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government

Expresses total state spending from state sources and payments to be made to local units of government.

Sec. 202. Appropriations Subject to Management and Budget Act

Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. State Administrative Board Transfers

Authorizes the legislature, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, to inter-transfer funds if the State Administrative Board transfers funds.

LABOR AND ECONOMIC OPPORTUNITY

Sec. 301. Unemployment Insurance Agency Administrative Costs

Requires appropriation to be used by the department for staffing, information technology, and other related expenses incurred for operations of the Unemployment Insurance Agency.

Sec. 302. Unemployment Benefit Payments

Requires appropriation to be used by the department for benefit payments of \$300 per week for eligible individuals; authorizes funding to be used for staffing and other related expenses incurred for operations of the Lost Wages Assistance Program.

Sec. 303. Lost Wages Assistance Program – Work Project Account

Authorizes unexpended funds appropriated for administration of the Lost Wages Assistance Program to be considered a work project appropriation and carried forward into the succeeding fiscal year; the purpose of the project is to administer the Lost Wages Assistance Program, including salary and wages, information technology programming and upgrades, and other administrative costs; the estimated cost is \$10.0 million with a tentative completion date of September 30, 2021.

Sec. 304. Unemployment Benefit Payments – Work Project Account

Authorizes unexpended funds appropriated for Benefit Payments - Lost Wages Assistance to be considered a work project appropriation and carried forward into the succeeding fiscal year; the purpose of the project is to provide benefit payments to eligible individuals under the Lost Wages Assistance Program; the estimated cost is \$2.8 billion with a tentative completion date of September 30, 2021.

Sec. 305. Unemployment Insurance Agency – Work Project Account

Authorizes unexpended funds appropriated for the Unemployment Insurance Agency to be considered a work project appropriation and carried forward into the succeeding fiscal year; the purpose of the project is to provide for administration of the Unemployment Insurance Agency, including salary and wages, information technology programming and upgrades, and other administrative costs; the estimated cost is \$59.3 million with a tentative completion date of September 30, 2021.

NATURAL RESOURCES

Sec. 401. Brandon Road Lock and Dam

Appropriates any interest or earnings deposited into the Michigan Infrastructure Fund and authorizes expenditure of the funds for the Brandon Road Lock and Dam.

TREASURY

Sec. 501. Disaster Flood Cleanup

Requires \$6.0 million of the appropriation to be allocated to Midland and Gladwin counties, to the village of Sanford, and to a task force delegated authority for Midland and Gladwin counties to be used as match for any federal funds made available for cleanup costs associated with dam disaster flooding; cleanup projects include debris removal, emergency protective measures such as road blockades, sheltering and evacuation, chemical contamination, soil erosion, and the repair of roads; requires \$3.0 million of the appropriation to be allocated to the City of Detroit to be used for the cost of flood response and mitigation efforts, including debris removal, emergency protective measures, sandbags, temporary barriers, contaminated flood water collection and treatment, planning and engineering costs, erosion mitigation work, installation of sea walls or other necessary barriers, and necessary storm water infrastructure.