

FY 2015-16 and FY 2016-17 SUPPLEMENTAL APPROPRIATIONS
Summary: As Passed by the House
Senate Bill 800 (H-1)



HFA Director: Mary Ann Cleary
 Supplemental Coordinator: Robin R. Risko

FY 2015-16 APPROPRIATION SUMMARY

Budget Area		FY 2015-16 Year-to-Date Appropriations	FY 2015-16 Supplemental Change	% Change
Environmental Quality	Gross	\$533,845,800	\$6,817,000	1.3
	GF/GP	\$80,764,200	\$6,340,000	7.9
Health and Human Services	Gross	\$24,897,272,500	\$0	0.0
	GF/GP	\$4,241,979,700	\$0	0.0
Licensing and Regulatory Affairs	Gross	\$416,562,300	(\$340,000)	(0.1)
	GF/GP	\$42,951,500	(\$340,000)	(0.8)
Military and Veterans Affairs	Gross	\$180,955,400	\$500,000	0.3
	GF/GP	\$60,612,300	\$0	0.0
Transportation	Gross	\$3,898,451,400	\$2,000,000	0.1
	GF/GP	\$400,000,000	\$2,000,000	0.5
Treasury	Gross	\$3,192,205,700	\$0	0.0
	GF/GP	\$523,966,300	\$0	0.0
TOTAL	Gross	\$33,119,293,100	\$8,977,000	0.0
	GF/GP	\$5,350,274,000	\$8,000,000	0.1

FY 2015-16 Supplemental Appropriation Items

**Appropriation
Change**

ENVIRONMENTAL QUALITY

1. Drinking Water Declaration of Emergency – One-Time

Provides \$817,000 Gross (\$340,000 GF/GP) to address the Drinking Water Declaration of Emergency. This funding will be used for a water distribution optimization analysis which will evaluate water distribution processes, corrosion control treatment, and any technical gaps. Standard operating procedures will also be developed and training provided to operations staff. A total of \$477,000 in restricted funding will come from the Drinking Water Declaration of Emergency Reserve Fund.

Gross **\$817,000**
 Restricted 477,000
 GF/GP \$340,000

2. Muskegon Cleanup Site (Zephyr Refinery Oil Spill)

Re-appropriates \$6.0 million GF/GP funding to provide full-scale environmental remediation at the site of the Zephyr Refinery oil spill in Muskegon County. This appropriation was originally included in the FY 2011-12 budget (2011 PA 63) but the funds have not been expended. These funds are also intended to leverage additional federal support.

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

3. Drinking Water Declaration of Emergency – Pipe Replacement Date Revision

Includes a net \$0 Gross re-appropriation of line-item funding in order to amend current year boilerplate related to extending the lead pipe replacement completion date (see Section 303).

Gross **\$0**
 GF/GP \$0

HEALTH AND HUMAN SERVICES

4. Child Care Fund

Includes a net \$0 Gross re-appropriation of line item funding in order to include related boilerplate requiring reimbursement of outstanding claims (see Section 401).

Gross **\$0**
 TANF 0
 Federal 0
 GF/GP \$0

<u>FY 2015-16 Supplemental Appropriation Items</u>	<u>Appropriation Change</u>
5. Groundwater Contamination Boilerplate Correction	Gross \$0
Includes a net \$0 Gross re-appropriation of line item funding in order to apply a correction to related boilerplate for a groundwater contamination project in Iosco Township originally appropriated in 2016 PA 268, Article XX (see Section 402).	GF/GP \$0
LICENSING AND REGULATORY AFFAIRS	
6. Flint Declaration of Emergency	Gross (\$340,000)
Transfers \$340,000 in GF/GP funds from the Department of Licensing and Regulatory Affairs (LARA) to the Department of Environmental Quality (DEQ) to support infrastructure study. The original appropriation was made to LARA for the replacement of plumbing and fixtures in the Flint Declaration of Emergency line item. The funds will be used by the DEQ to support a water distribution optimization analysis. The remainder of the \$2.0 million original appropriation to LARA is pending work project approval and would be available to cover all known plumbing and fixture replacements.	GF/GP (\$340,000)
MILITARY AND VETERANS AFFAIRS	
7. National Guard Deployment to Flint	Gross \$500,000
Includes \$500,000 from the Drinking Water Declaration of Emergency Reserve Fund to cover the costs incurred by the activation of the Michigan National Guard to support Flint water emergency relief efforts.	Restricted 500,000
TRANSPORTATION	
8. Transportation Economic Development Fund – Rural County Primary	Gross \$2,000,000
Section 115 of Article XX in Public Act 268 of 2016 included a FY 2015-16 supplemental appropriation of \$2.0 million for a special road project defined in Section 901 of that Article. Funding for the project was made available from a \$2.0 million reduction in the Rural County Primary line item. This FY 2015-16 supplemental appropriation of \$2.0 million GF/GP would restore funding for the Rural County Primary line item to the amount established under the TEDF authorizing statute, Public Act 231 of 1987.	GF/GP \$2,000,000
TREASURY	
9. Drinking Water Declaration of Emergency	Gross \$0
Includes a net \$0 Gross re-appropriation of line item funding in order to make changes to associated boilerplate requirements (see Section 602).	GF/GP \$0

FY 2015-16 Supplemental Boilerplate Items

ENVIRONMENTAL QUALITY

Sec. 301. Drinking Water Declaration of Emergency – One-Time

Funding to support the Drinking Water Declaration of Emergency is considered a work project appropriation; unencumbered or unallotted funds will carryforward to the succeeding fiscal year. The projects will be accomplished by contract and have a tentative completion date of September 30, 2020.

Sec. 302. Muskegon Cleanup Site (Zephyr Refinery Oil Spill)

Unexpended funding totaling \$6.0 million GF/GP from FY 2011-12 to clean up the contaminated Zephyr refinery site in Muskegon County is appropriated for FY 2015-16 and is considered a work project appropriation; unencumbered or unallotted funds will carryforward to the succeeding fiscal year. The projects will be accomplished by contract and have a tentative completion date of September 30, 2020.

Sec. 303. Drinking Water Declaration of Emergency – Pipe Replacement Date Revision

Section 503 in the current Environmental Quality budget sets conditions on how the appropriation for Drinking Water Declaration of Emergency may be expended, sets the date for the completion of lead pipe replacement as September 30, 2017, and sets the date for a final audit of the use of these funds as January 1, 2018. This new boilerplate section corrects these dates. The lead pipe replacement completion date is extended to September 30, 2019 and the final audit date is extended to January 1, 2020. Boilerplate section 503 in the current public act is repealed.

FY 2015-16 Supplemental Boilerplate Items

HEALTH AND HUMAN SERVICES

Sec. 401. Child Care Fund

Requires DHHS to reimburse by January 15, 2017 all outstanding FY 2015-16 Child Care Fund claims that were submitted to the department by December 1, 2016. All eligible outstanding claims submitted after December 1, 2016 shall be reimbursed within 45 days after submission.

Sec. 402. Groundwater Contamination Boilerplate Correction

Revises current law FY 2015-16 boilerplate related to a \$1.0 million GF/GP supplemental appropriation to address public health needs resulting from groundwater contamination in Oscoda Township (2016 PA 268, Article XX). The township is located in Iosco County and the revised language corrects the reference to the subject county as being a county with fewer than 26,000 residents, rather than 8,700 residents, which was an incorrect reference to Oscoda County. The current law boilerplate, Section 305 of Act 268 of 2016, Article XX, is repealed.

TALENT AND ECONOMIC DEVELOPMENT – MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 501. Mortgage Foreclosure Settlement Funds Repurposing and Work Project Reauthorizations

Provides work project authorization for \$3.6 million appropriated for blight elimination. Funding would be provided from unexpended and unencumbered funding originally appropriated to support foreclosure counseling and legal aid for homeowners, assistance to homebuyers, Home Affordable Refinance Program grants, Home Protection Unit, and veterans and community outreach in 2012 PA 296 and 2014 PA 34. Provides work project reauthorization for the remaining balance in the following Mortgage Foreclosure Settlement work project appropriations originally appropriated in 2012 PA 296 and 2014 PA 34:

- Michigan Housing and Community Development Program – includes a total of \$478,800 for the Michigan Housing and Community Development Program operated by the Michigan State Housing Development Authority. Approximately \$401,700 is available from remaining funds appropriated for the Michigan Housing and Community Development Program in 2012 PA 296. An additional \$77,100, the remaining balance in the Michigan Housing and Community Development Fund, would be appropriated to supplement the Michigan Housing and Community Development Program.
- Blight elimination – includes a total of \$1.3 million for blight elimination originally appropriated in 2012 PA 296 and 2014 PA 34. Funding would be appropriated to the Land Bank Fast Track Fund for use by the Land Bank Fast Track Authority for blight elimination projects.

The projects will be accomplished by state employees, by grant, and by contract and have a tentative completion date of September 30, 2020.

TREASURY

Sec. 601. Foreclosure Rescue Scam Victim Restitution Work Project Reauthorization

Provides work project reauthorization for the remaining balance appropriated in 2012 PA 296 for foreclosure rescue scam victim restitution. Remaining balance totals \$3.7 million. Funds will continue to support claims for victims of foreclosure-related crimes. Lawsuits are ongoing and will require future payment. The projects will be accomplished by state employees, by grant, and by contract. The tentative completion date is September 30, 2020.

Sec. 602. Water Bill Credit Reimbursement – Stipulations

Replaces and amends the boilerplate language to extend the credit date from December 31, 2016 to March 31, 2017 and changes the date funds lapse to the General Fund from December 31, 2016 to May 31, 2017. The current law boilerplate, Section 1002 of Article XXI, 2016 PA 268, is repealed.

FY 2016-17 APPROPRIATION SUMMARY

Budget Area		FY 2016-17	FY 2016-17	% Change
		Year-to-Date Appropriations	Supplemental Change	
Agriculture and Rural Development	Gross	\$94,101,300	\$1,805,600	1.9
	GF/GP	\$49,926,900	\$0	0.0
Capital Outlay	Gross	\$0	\$200	0.0
	GF/GP	\$0	\$200	0.0
Corrections	Gross	\$2,002,729,000	\$0	0.0
	GF/GP	\$1,951,957,900	\$0	0.0
Environmental Quality	Gross	\$513,549,400	\$3,337,000	0.6
	GF/GP	\$47,736,400	\$1,537,000	3.2
Health and Human Services	Gross	\$24,841,836,800	\$43,054,500	0.2
	GF/GP	\$4,374,548,300	\$18,184,500	0.4
Legislature	Gross	\$141,903,600	\$6,000,000	4.2
	GF/GP	\$137,227,800	\$6,000,000	4.4
Licensing and Regulatory Affairs	Gross	\$418,742,400	\$770,000	0.2
	GF/GP	\$43,721,100	\$0	0.0
Military and Veterans Affairs	Gross	\$174,100,200	\$3,000,000	1.7
	GF/GP	\$55,243,600	\$3,000,000	5.4
Natural Resources	Gross	\$398,254,100	\$9,700,000	2.4
	GF/GP	\$39,910,000	\$2,500,000	6.3
State	Gross	\$248,015,600	\$300,000	0.1
	GF/GP	\$22,109,600	\$0	0.0
State Police	Gross	\$659,472,100	\$0	0.0
	GF/GP	\$402,662,800	\$2,500,000	0.6
Technology, Mgmt, & Budget	Gross	\$1,301,191,700	\$82,534,000	6.3
	GF/GP	\$485,518,600	\$82,534,000	17.0
Transportation	Gross	\$4,114,503,600	\$1,250,000	0.0
	GF/GP	\$8,500,000	\$1,250,000	14.7
Talent & Economic Development	Gross	\$1,145,994,300	\$3,120,000	0.3
	GF/GP	\$179,388,900	\$3,120,000	1.7
Treasury	Gross	\$1,885,442,900	\$3,050,000	0.2
	GF/GP	\$235,445,800	\$3,050,000	1.3
TOTAL	Gross	\$37,939,837,000	\$157,921,300	0.4
	GF/GP	\$8,033,897,700	\$123,675,700	1.5

FY 2016-17 Supplemental Appropriation Items

AGRICULTURE AND RURAL DEVELOPMENT

1. Environmental Stewardship/MAEAP

Provides \$1.5 million in additional spending authority from the state restricted Freshwater Protection Fund for various Michigan Agriculture Environmental Assurance Program (MAEAP) activities. MAEAP is established and defined in Section 87 of Michigan's Natural Resources and Environmental Protection Act (NREPA). Section 87 of NREPA also establishes the restricted Freshwater Protection Fund and the water quality protection fees that support the fund. Public Act 118 of 2015 recently made a number of changes to MAEAP and to the related fees and fund supporting the program.

Gross	\$1,500,000
Restricted	1,500,000

**Appropriation
Change**

FY 2016-17 Supplemental Appropriation Items

**Appropriation
Change**

2. Farmland and Open Space Preservation

The request would authorize an additional 3.0 FTE positions - described by the SBO as limited term - as well as additional spending authority from the Agriculture Preservation Fund. The additional support is intended to help clear up a backlog in processing tax credit applications under the program, commonly referred to as the PA 116 Program. This program grants tax credits to qualified farmers and landowners who agree to restrictions on development rights. The enacted budget had authorized 7.0 FTE positions and \$1.4 million Gross (\$327,700 GF/GP) in spending authority. Additional restricted revenue had been provided as a result of Public Acts 265 – 267 of 2016.

FTEs	3.0
Gross	\$305,600
Restricted	305,600

3. County Fairs, Shows, and Expositions

Includes a net \$0 Gross re-appropriation of line-item funding and changes the line item title in order to amend current year boilerplate related to county fairs, shows, and expositions. The related boilerplate section of current law is repealed and revised language included as Section 1301.

Gross	\$0
GF/GP	\$0

CAPITAL OUTLAY – CONSTRUCTION AUTHORIZATIONS

4. Department of Military and Veterans Affairs – Grand Rapids and Detroit Veterans Home Construction

Provides construction authorization for new veterans homes in Grand Rapids and Detroit. Total project cost is \$108.0 million. Federal share is \$66.0 million; state share is \$42.1 million. The project would include the construction of two new veterans homes – one located in Grand Rapids at the site of the current Grand Rapids Home for Veterans, and one at a yet to be determined location in the City of Detroit. The design elements of the two homes will be uniform. Both projects will include 120-bed facilities totaling approximately 132,000 sq. ft. containing a central community center for meals, programming and related services connected via corridors to small community-based residential living areas. The configuration of the design model will be site specific depending on the size and shape of the parcel, topography, and location of utilities and other services. Expected completion date for both sites is May 2019.

Gross	\$100
GF/GP	\$100

5. Southwestern Michigan College – Nursing and Health Education Building Renovation and Expansion

Provides construction authorization for the Southwestern Michigan College - Nursing and Health Education Building renovation and expansion project. Total project cost is \$9.6 million. College share is \$5.6 million; state share \$4.0 million. The project would include the renovation of the original 12,000 sq. ft. structure by using selective site and building demolition; replacing exterior cladding, windows, and roofing; energy efficiency upgrades; reallocation of interior spaces by removing and adding partition walls; new handicap accessible restrooms; interior finishes for walls, floors, and ceilings; replacement of mechanical, plumbing, and electrical systems; and site improvements and landscaping. The 10,000 sq. ft. addition would add significant instructional space, simulation labs, and lecture space. The project received planning authorization in Article II, 2016 PA 268. Since planning authorization was received, the total cost of the project increased by \$1.6 million due to the necessary asbestos abatement that was discovered during the professional planning process. The entire \$1.6 million will be covered by the college.

Gross	\$100
GF/GP	\$100

CORRECTIONS

6. Goodwill Flip the Script

Includes a net \$0 Gross re-appropriation of line-item funding in order to amend current year boilerplate to expand program eligibility by increasing the maximum age of participants. This will enable more women to participate (see Section 1501).

Gross	\$0
GF/GP	\$0

ENVIRONMENTAL QUALITY

7. Drinking Water Declaration of Emergency

Provides \$1.8 million Gross and 1.0 FTE to address the Drinking Water Declaration of Emergency. This funding will be used for infrastructure upgrades and technical assistance. A total of \$1.5 million in restricted funding will come from the Drinking Water Declaration of Emergency Reserve Fund; \$335,600 in federal funding is also included.

FTEs	1.0
Gross	\$1,800,000
Federal	335,600
Restricted	1,464,400

FY 2016-17 Supplemental Appropriation Items		Appropriation Change
8. Contaminated Site Investigation, Cleanup, and Revitalization (Vapor Intrusion)		
Provides \$1.3 million GF/GP funding and 4.0 FTEs to address vapor intrusion. Vapor intrusion is the migration of chemical vapors from contaminated groundwater or soil into the buildings above. This funding will be used to conduct early mitigation on at-risk structures, provide staff to evaluate and mitigate known vapor intrusion sites, and provide staff to evaluate and mitigate human exposure to vapor intrusion going forward.	FTEs Gross GF/GP	4.0 \$1,312,000 \$1,312,000
9. Saginaw River Dredging Project – Phase I		
Provides \$225,000 GF/GP funding for costs associated with an ongoing dredging project in the Saginaw River. The current FY 2016-17 budget includes \$50,000 GF/GP funding for this purpose.	Gross GF/GP	\$225,000 \$225,000
HEALTH AND HUMAN SERVICES		
10. Hope Network		
Allocates \$500,000 funding from the Community Services and Outreach Administration line item to Hope Network, a nonprofit organization that operates the Michigan Education Corps. Also includes a net \$0 Gross reappropriation of line item funding to include related boilerplate that directs \$250,000 of current-year funding to Hope Network for job training for individuals with developmental disabilities (see Section 1701).	Gross GF/GP	\$500,000 \$500,000
11. Supplemental County Payments		
Provides \$5.0 million GF/GP to fund supplemental payments to counties and tribes for certain FY 2015-16 Child Care Fund expenditures that were not reimbursed by DHHS because of changes in the department's reimbursement standards that were implemented during the year.	Gross GF/GP	\$5,000,000 \$5,000,000
12. Transitional Population Services		
Provides \$1.0 million GF/GP that will be shared with various state agencies and will include support for the following: bilingual caseworker staff in DHHS county offices with high local transitional and refugee populations, Michigan International Talent Solutions (MITS) Program to help skilled permanent work-authorized immigrants work in their profession, adult English as a second language programs, and resettlement support, including a multicultural intake center in Detroit.	Gross GF/GP	\$1,000,000 \$1,000,000
13. Low-Income Home Energy Assistance Program (LIHEAP) – Heat and Eat Funding		
Provides \$6.8 million GF/GP to support participation in the Heat and Eat Program. The LIHEAP line item is increased by \$6.8 million GF/GP to fund energy assistance payments of \$20.01 to an estimated 338,173 Food Assistance Program (FAP) cases to give them the Standard Utility Allowance making them eligible for additional FAP benefits. Due to caseload reductions, the FAP line item is expected to hold sufficient federal funding authorization to recognize the additional FAP benefits that would be received (estimated as an average monthly increase of \$76.73 per case for a total annual increase of up to \$309.8 million additional FAP benefits). Boilerplate language is included to allocate the \$6.8 million federal funding for \$20.01 payments to certain FAP recipients (see Section 1704).	Gross GF/GP	\$6,766,800 \$6,766,800
14. New Vapor Intrusion Response Office – Epidemiology Administration		
Provides \$1.4 million GF/GP and 8.5 FTEs to establish a new Vapor Intrusion Response Office to address the emerging public health issue of migration of chemical vapors from soil or water into buildings, contaminating indoor air. Funding supports technical assistance to DEQ and local health departments, toxicology exposure analysis, exams for affected persons, and temporary housing when evacuations are recommended to eliminate exposure. Three separate incidents occurred recently in Grand Rapids. Total number of possible risk sites are estimated at 3,000. See also companion program proposed in DEQ in this supplemental.	FTEs Gross GF/GP	8.5 \$1,368,800 \$1,368,800
15. Public Health Drinking Water Office – Epidemiology Administration		
Provides \$1.4 million GF/GP and 6.5 FTEs as initial startup funding to re-establish a Public Health Drinking Water Office to respond when DEQ identifies contaminants in drinking water. Funding supports investigation, toxicology, data analysis, education and outreach, and replacement of faucets and plumbing in contaminated private residences. Proposal was recommended by the Flint Water Advisory Task Force in its Final Report issued March 2016.	FTEs Gross GF/GP	6.5 \$1,443,500 \$1,443,500

FY 2016-17 Supplemental Appropriation Items

**Appropriation
Change**

16. Toxicology and Response – Epidemiology Administration

Provides \$376,400 GF/GP and 3.5 FTEs to expand the public health Toxicology and Response Section which evaluates human exposure and health hazards at contamination sites, and provides findings to regulatory and enforcement agencies. Increased staffing is needed to address contamination sites that are not federal priorities. Proposal was recommended by the Flint Water Advisory Task Force in its Final Report issued March 2016.

FTEs 3.5
Gross \$376,400
 GF/GP \$376,400

17. Lead Abatement – Healthy Homes

Directs \$23.5 million of available federal funding to conduct lead abatement and remove lead risks in homes of families eligible for Medicaid or Children’s Health Insurance Program (CHIP) in Flint, related to the recent drinking water and lead exposure emergency, and in other high-risk communities. 4.0 FTEs are added for this program. The funding is available from unexpended CHIP administrative funds, and has federal approval under a State Plan Amendment (SPA) for this Health Services Initiative. The SPA allows use of available funds for up to five years. The Healthy Homes Program is currently funded at \$4.3 million Gross (\$1.8 million GF/GP) and 8.0 FTEs.

FTEs 4.0
Gross \$23,470,000
 Federal 23,470,000

18. Childhood Lead Prevention Program

Includes \$329,000 GF/GP and 1.5 FTEs to expand the Childhood Lead Prevention Program and improve surveillance and outreach. Funds will be used for coordination of case management of children with elevated blood lead levels and to update and accelerate blood test surveillance, analysis, and response. Proposal was recommended by the Flint Water Advisory Task Force in its Final Report issued March 2016. The program is currently funded at \$1.6 million Gross (\$114,200 GF/GP) and 2.5 FTEs.

FTEs 1.5
Gross \$329,000
 GF/GP \$329,000

19. Healthy Kids Dental Utilization Increase

Provides \$27.5 million Gross (\$9.6 million GF/GP) to support increased managed care rates certified by an independent actuary for the program. The Healthy Kids Dental Program experienced higher costs than reflected in the FY 2015-16 rates based on higher utilization in the newly expanded counties than historic utilization in the non-expanded counties. These costs are offset by reducing the Hospitals Services and Therapy line by a like amount.

Gross \$0
 Federal 0
 GF/GP \$0

20. Authority Health Graduate Medical Education (GME) Funding

Provides \$2.8 million Gross (\$1.4 million GF/GP) for Authority Health’s community-based primary care residency training program. The federal Health Resources & Services Administration (HRSA) originally provided Authority Health Teaching Health Center GME funds at an amount of \$150,000 per resident, but in FY 2014-15 that amount was reduced to \$110,000 per resident. It is anticipated that Congress will reauthorize this program at \$150,000 per resident for FY 2017, so these funds would be used to offset the program’s current shortfall until Congress reauthorizes the Teaching Health Center GME Program.

Gross \$2,800,000
 Federal 1,400,000
 GF/GP \$1,400,000

LEGISLATURE

21. Legislative IT Systems Design Project

Includes \$6.0 million GF/GP to fund the design, development, and implementation of a legislative-wide integrated computer system. The funds would supplement the \$3.0 million appropriation in Article XX of 2016 PA 268.

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

LICENSING AND REGULATORY AFFAIRS

22. Gas Pipeline Safety

Provides authorization for 5.0 additional FTEs and \$770,000 for the Public Service Commission to meet federally mandated inspection days for natural gas pipelines, as determined by the Pipeline and Hazardous Materials Safety Administration. The funds are meant to cover an approximately 57% increase in the number of annual pipeline safety inspection days.

FTEs 5.0
Gross \$770,000
 Federal 623,700
 Restricted 146,300

MILITARY AND VETERANS AFFAIRS

23. Michigan Veterans’ Facility Authority

Includes \$1.0 million GF/GP to establish the Michigan Veterans’ Facility Authority within the Michigan Veterans Affairs Agency, and provide for first-year operating costs.

Gross \$1,000,000
 GF/GP \$1,000,000

<u>FY 2016-17 Supplemental Appropriation Items</u>		Appropriation Change
24. Grand Rapids Home for Veterans		Gross \$2,000,000
Includes \$1.5 million GF/GP to support additional contractual nursing services required to maintain the USDVA direct care staffing standards, as well as \$500,000 GF/GP to backfill a potential loss in USDVA Veterans Health Administration per diem revenue resulting from any reduction in population to incorporate new facilities into the Michigan Veteran Health System.		GF/GP \$2,000,000
NATURAL RESOURCES		
25. Local Boating Infrastructure Maintenance and Improvements		Gross \$1,800,000
Provides \$1.8 million in funding from the Michigan State Waterways Fund for capital improvements and heavy equipment purchases for repair and maintenance of local recreational boating facilities. Additional funding available from estimated gas tax revenue and available fund balance.		Restricted 1,800,000
26. State Boating Infrastructure Maintenance		Gross \$3,000,000
Provides \$3.0 million in funding from the Michigan State Waterways Fund for capital improvements and heavy equipment purchases for repair and maintenance of state recreational boating facilities. Additional funding available from estimated gas tax revenue and available fund balance.		Restricted 3,000,000
27. Recreational Boating Program		Gross \$1,000,000
Provides \$1.0 million in funding from the Michigan State Waterways Fund to purchase heavy equipment for the Recreational Boating Program. Additional funding available from estimated gas tax revenue.		Restricted 1,000,000
28. Recreational Improvement Fund Grants		Gross \$300,000
Provides \$300,000 in funding from the Recreation Improvement Fund as grants for recreational trail projects. Additional funding available from estimated gas tax revenue.		Restricted 300,000
29. Snowmobile Local Grants Program		Gross \$700,000
Provides \$700,000 in funding from the Snowmobile Trail Improvement Fund to local snowmobile clubs as grants to repair and maintain snowmobile trails. Additional funding available from estimated gas tax revenue.		Restricted 700,000
30. Wetland Mitigation Bank Grants		Gross \$500,000
Provides \$500,000 GF/GP for the initial development and construction of wetland mitigation banks to be used by the Michigan Municipal Wetland Alliance, agricultural producers, and blueberry farmers. Construction includes sites on DNR-managed lands in Ionia, Gratiot, Monroe, and Allegan counties. Wetland mitigation banking is the creation or restoration of wetlands to compensate for unavoidable impacts to wetlands at another location.		GF/GP \$500,000
31. Wildlife Management (Wetland Mitigation Banking Program)		FTEs 1.0
Provides \$400,000 in federal funding and 1.0 FTE from the United States Department of Agriculture's Natural Resources Conservation Service for the Wetland Mitigation Banking Program		Gross \$400,000
		Federal 400,000
32. Wildlife Management (Chronic Wasting Disease)		Gross \$1,000,000
Provides \$1.0 million GF/GP to address chronic wasting disease in Michigan.		GF/GP \$1,000,000
33. Special Maintenance Projects		Gross \$1,000,000
Provides \$1.0 million GF/GP for maintenance of the fort and other island facilities on Mackinac Island.		GF/GP \$1,000,000
STATE		
34. State Lottery Redemption Service in U.P.		Gross \$300,000
Provides \$300,000 from the State Lottery Fund to implement a pilot program between the Department of State (DOS) and the Bureau of State Lottery to allow for the validation and collection of winning lottery tickets with payouts between \$500 and \$50,000 in Secretary of State branch offices in Escanaba, Marquette, Grayling, and Sault St. Marie. This appropriation would be a one-time authorization. The Bureau of State Lottery will provide 1% of winnings to offset program costs to DOS in the following years.		Restricted 300,000

FY 2016-17 Supplemental Appropriation Items

**Appropriation
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STATE POLICE

35. Lawsuit Judgement

Includes \$2.5 million GF/GP to replenish CJIC restricted revenues utilized for disbursements in accordance with the *Hall and Johnson v. Department of State Police, et al.* verdict. GF/GP funds will be used to support the replacement of the statewide Automated Fingerprint Identification System.

Gross \$0
Restricted (2,500,000)
GF/GP \$2,500,000

TECHNOLOGY, MANAGEMENT, AND BUDGET

36. First Responder Survivors Limited Healthcare

Includes \$500,000 GF/GP to support state-provided healthcare coverage for eligible survivors of first responders killed in the line of duty for up to five years, pursuant to 2004 PA 46, MCL 28.634a.

Gross \$500,000
GF/GP \$500,000

37. Venture Michigan Fund I (VMF I) Final Debt Repayment

Provides \$72.0 million for the prepayment of all remaining monetary obligations associated with VMF 1 created under the Michigan Early State Venture Investment Act of 2003.

Gross \$72,034,000
GF/GP \$72,034,000

38. Drinking Water Declaration of Emergency Reserve Fund

Appropriates \$10.0 million into the Drinking Water Declaration of Emergency Reserve Fund for various potential yet undetermined costs. Funds could only be expended upon appropriation or legislative transfer and would remain in the fund at the close of the fiscal year.

Gross \$10,000,000
GF/GP \$10,000,000

TRANSPORTATION

39. Local Agency Wetland Mitigation Bank Fund

Public Act 246 of 2016 amended Section 10 of Public Act 51 of 1951 to create two new annual earmarks of Michigan Transportation Fund (MTF) revenue. One of the new earmarks was \$2.0 million annually for a new Local Agency Wetland Mitigation Bank Fund. Although the statute has an effective date of September 22, 2016, the new earmarks were not reflected in either FY 2015-16 or FY 2016-17 appropriations. This appropriation would provide two years' worth of funding for the Local Agency Wetland Mitigation Fund. The State Budget Office interprets 2016 PA 246 as taking this new earmark from an existing Act 51 earmark which distributes three cents of the gasoline tax to road agencies.

Gross \$4,000,000
Restricted 4,000,000

40. Movable Bridge Fund

Public Act 246 of 2016 amended Section 10 of Public Act 51 of 1951 to create two new annual earmarks of MTF revenue. In addition to the earmark for the Local Agency Wetland Mitigation Bank Fund, \$5.0 million is earmarked annually for a new Movable Bridge Fund. Although the statute has an effective date of September 22, 2016, the new earmark was not reflected in either FY 2015-16 or FY 2016-17 appropriations. This appropriation would provide two years' worth of funding for the Movable Bridge Fund. The State Budget Office interprets 2016 PA 246 as taking this new earmark from an existing Act 51 earmark which distributes three cents of the gasoline tax to road agencies.

Gross \$10,000,000
Restricted 10,000,000

41. State Trunkline Federal Aid Road and Bridge Construction

Two new earmarks of MTF revenue established in Public Act 246 of 2016 would reduce the amount of MTF revenue available for distribution to MTF recipients, including the State Trunkline Fund.

Gross (\$5,474,000)
Restricted (5,474,000)

42. County Road Commissions

Two new earmarks of MTF revenue established in Public Act 246 of 2016 would reduce the amount of MTF revenue available for distribution to MTF recipients, including distribution to county road commissions.

Gross (\$5,474,000)
Restricted (5,474,000)

43. Cities and Villages

Two new earmarks of MTF revenue established in Public Act 246 of 2016 would reduce the amount of MTF revenue available for distribution to MTF recipients, including distribution to cities and villages.

Gross (\$3,052,000)
Restricted (3,052,000)

44. Erosion Mitigation Grants

Provides \$1.3 million GF/GP for erosion mitigation projects in Evergreen Bluff (Van Buren County) and Lincoln Township Park (Berrien County).

Gross \$1,250,000
GF/GP \$1,250,000

FY 2016-17 Supplemental Appropriation Items

**Appropriation
Change**

TALENT AND ECONOMIC DEVELOPMENT

45. Kalamazoo Valley Community College – Healthy Living Campus Grant **Gross \$2,000,000**
Provides \$2.0 million GF/GP to Kalamazoo Valley Community College (KVCC) to cover a portion **GF/GP \$2,000,000**
of the costs associated with the KVCC – Health Living Campus capital outlay project approved
for construction in 2014 PA 34. KVCC originally requested and received less than the 50% state
share project cost cap for community college capital outlay projects. Due to subsequent project
revisions, KVCC has requested funds to increase the state match.

46. Sustainable Employment Pilot Program **Gross \$1,000,000**
Includes \$1.0 million GF/GP to fund a Sustainable Employment Pilot Program. The program **GF/GP \$1,000,000**
would focus on moving individuals off of government assistance programs and measure the
corresponding savings to state government. \$100 was included as a placeholder in Article VIII
of 2016 PA 268. Corresponding boilerplate was included in Section 1083 of Article VIII, 2016
PA 268.

47. Grant to St. Louis Center **Gross \$120,000**
Includes funding to cover costs of upkeep and maintenance at the St. Louis Center in Chelsea, **GF/GP \$120,000**
Michigan.

TREASURY

48. Supervision of General Property Tax Law **Gross \$3,000,000**
Provides \$3.0 million GF/GP for additional financial assistance to local units of government and **GF/GP \$3,000,000**
school districts in areas experiencing financial distress. Funds would support costs associated
with benefits experts, consolidation consultants, financial and accounting consultants, legal
services, operations management, and administration.

49. School District Millage Renewal Election Cost Reimbursements **Gross \$50,000**
Provides \$50,000 GF/GP to cover election costs associated with school districts that must renew **GF/GP \$50,000**
their local school operating mills earlier than otherwise would be necessary in order to levy local
school operating mills on territory the district received due to the dissolution of another school
district.

FY 2016-17 Supplemental Boilerplate Items

AGRICULTURE AND RURAL DEVELOPMENT

Sec. 1301. County Fairs, Shows, and Expositions

Section 805 in the current Agriculture and Rural Development budget sets conditions on the grant appropriation for County Fairs, Shows, and Expositions. In order to correct descriptions of certain boilerplate grants, the current appropriation line item is zeroed out and reappropriated under a different line item name. The current law boilerplate, Section 805 of Act 268 of 2016, Article I, is repealed.

CAPITAL OUTLAY

Sec. 1401. Public Purpose, Lease and Conveyance, and Annual Appropriation – State Building Authority Financed Construction Authorizations

States that the legislature determines the leasing of SBA-financed facilities are for a public purpose under the State Building Authority Act of 1964, approves and authorizes the lease and conveyance of property to and from the SBA to state and educational institutions, as applicable, executed by the Governor and Secretary of State on behalf of the state, and specifies intent of the legislature to annually appropriate sufficient amounts to pay rent obligations pursuant to the lease.

Sec. 1402. Adjustment of Cost Sharing for Grand Rapids and Detroit Veterans Homes

Authorizes the State Budget Director to adjust the federal and state financing shares as necessary to provide for the maximum receipt of federal support for the project. Prohibits the total cost and state share from exceeding authorized amounts unless amended in a subsequent appropriations act pursuant to Section 246 of the Management and Budget Act, 1984 PA 431, MCL 18.1246.

CORRECTIONS

Sec. 1501. Goodwill Flip the Script

Establishes criteria for the Goodwill Flip the Script Program. Section 437 in the current Corrections budget, Article V of 2016 PA 268, is repealed and this section added, which expands program eligibility by increasing the maximum age of participants.

FY 2016-17 Supplemental Boilerplate Items

ENVIRONMENTAL QUALITY

Sec. 1601. Drinking Water Declaration of Emergency

The funds appropriated for the Drinking Water Declaration of Emergency are considered a work project appropriation; unencumbered or unallotted funds will carryforward to the succeeding fiscal year. The projects will be accomplished by contract and state resources and have a tentative completion date of September 30, 2021.

HEALTH AND HUMAN SERVICES

Sec. 1701. Hope Network

Allocates \$250,000 from the Community Services and Outreach Administration line item to Hope Network to fund job training for individuals with developmental disabilities. Provides that an additional \$500,000 be allocated to Hope Network to operate the Michigan Education Corps.

Sec. 1702. Supplemental County Payments

Requires DHHS to make supplemental county and tribal payments for certain unreimbursed costs for FY 2015-16. Directs DHHS to make specific supplemental payments totaling \$4.0 million to certain counties for previously denied reimbursements by December 31, 2016. Remaining funding shall be used for additional reimbursement requests from counties or tribes; reimbursement requests must be submitted to the department on a DHHS certification form. If eligible requests are greater than the amount appropriated, reimbursements shall be prorated. States legislative intent that these reimbursements shall constitute final reimbursements for FY 2015-16 among counties, tribes, and DHHS.

Sec. 1703. Authority Health Graduate Medical Education (GME)

Allocates \$1.4 million GF/GP and any associated federal match funding to Authority Health to operate their GME program for community-based primary care residency training.

Sec. 1704. Low-Income Home Energy Assistance (LIHEAP) Program – Heat and Eat Funding

Requires DHHS to allocate up to \$6.8 million federal funding to provide an additional \$20.01 LIHEAP payment to FAP cases not currently eligible for the standard utility allowance which enables certain cases to receive additional federal food assistance benefits.

TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 1801. Budget Stabilization Fund Deposit

Appropriates \$75.0 million GF/GP revenue into the Countercyclical Budget and Economic Stabilization Fund (BSF), or the rainy day fund. This appropriation would raise the BSF from \$630 million to \$705 million.

Sec. 1802. First Responder Survivors Limited Healthcare

The funds appropriated for the Public Safety Officer Survivor Benefits are considered a work project appropriation; unencumbered or unexpended funds shall not lapse at the end of the fiscal year. The purpose of the project is to provide health care coverage for the surviving spouse and dependents of a public safety officer who dies in the line of duty. The project will be accomplished by state employees or by contract. The total estimated cost of the project is \$500,000. The tentative completion date is September 30, 2019.

Sec. 1803. Venture Michigan Fund I Final Debt Repayment

From the appropriated funds, the State Budget Director is authorized to prepay all remaining monetary obligations of Venture Michigan Fund I with the following stipulations: all monetary obligations of Venture Michigan Fund I are owed at the time of prepayment; if the amount appropriated is insufficient to allow for the prepayment of all Venture Michigan Fund I obligations there is appropriated not more than \$1.5 million from the state General Fund for that purpose only and these transactions shall be completed no later than February 1, 2017; any unexpended balance of the amounts appropriated in part 1 or for transaction costs shall lapse to the state General Fund. Upon the payoff of all Venture Michigan Fund I obligations, any tax vouchers issued shall be deemed null and void.

Sec. 1804. Drinking Water Declaration of Emergency Fund

The appropriated funds shall be deposited into the Drinking Water Declaration of Emergency Reserve Fund. Funds may only be spent upon appropriation or legislative transfer. Interest and earnings from the investment of funds in the reserve fund shall be deposited in the General Fund. Funds shall remain in the reserve fund at the close of the fiscal year and shall not lapse to the General Fund.

TALENT AND ECONOMIC DEVELOPMENT

Sec. 1901. Sustainable Employment Pilot Program Work Project

Provides work project authorization for the \$1.0 million GF/GP appropriated for the Sustainable Employment Pilot Program. The purpose of the project is to support sustainable employment initiatives that work with the local community and workforce development agencies and focus on long-term results. The project will be accomplished by state employees, by grant, or by contract. The total estimated cost is \$1.0 million and the tentative completion date is September 30, 2018.

TRANSPORTATION

Sec. 2001. Erosion Mitigation Grants

Provides funding for erosion mitigation to county road commissions and local units of government for erosion mitigation and control.

FY 2016-17 Supplemental Boilerplate Items

TREASURY

Sec. 2101. School District Millage Renewal Election Cost Reimbursement

Requires funds appropriated for the School District Millage Renewal Election Cost Reimbursements to be allocated to school districts that must renew their local school operating mills earlier than otherwise would be necessary in order to levy local school operating mills on territory the district received due to the dissolution of another school district.