

FY 2019-20 SUPPLEMENTAL APPROPRIATIONS
Summary: As Passed by the House
Senate Bill 690 (H-3)



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FY 2019-20 APPROPRIATIONS SUMMARY

Budget Area		FY 2019-20 Year-to-Date Appropriations	FY 2019-20 Supplemental Change	% Change
Agriculture and Rural Development	Gross	\$111,717,500	\$1,000,000	0.9
	GF/GP	\$55,979,900	\$0	0.0
Education	Gross	\$421,396,500	\$143,000,000	33.9
	GF/GP	\$87,212,000	\$0	0.0
Health and Human Services	Gross	\$26,965,625,900	\$193,100,000	0.7
	GF/GP	\$4,826,421,900	\$0	0.0
Labor and Economic Opportunity	Gross	\$1,307,357,100	\$214,109,500	16.4
	GF/GP	\$142,308,300	\$0	0.0
Licensing and Regulatory Affairs	Gross	\$435,285,600	\$1,400,000	0.3
	GF/GP	\$111,606,400	\$0	0.0
Treasury - Operations	Gross	\$604,859,800	\$327,500,000	54.1
	GF/GP	\$120,744,700	\$0	0.0
TOTAL	Gross	\$29,846,242,400	\$880,109,500	2.9
	GF/GP	\$5,344,273,200	\$0	0.0

Overview

Senate Bill 690 (H-3) contains supplemental appropriation adjustments for various departments for FY 2019-20 to address the COVID-19 pandemic. Primarily, appropriations are funded with federal revenue from the federal Coronavirus Relief Fund. There is one appropriation in the Department of Labor and Economic Opportunity that is funded with federal funding from the Department of Labor, Employment and Training Administration. In sum, adjustments would increase Gross and Federal appropriations by \$880.1 million and the bill would have no impact on the state's General Fund.

Appropriation and boilerplate priorities are identified following this overview.

FY 2019-20 Supplemental Appropriation Items

**Appropriation
Change**

AGRICULTURE AND RURAL DEVELOPMENT

1. Double Up Food Bucks

Includes \$1.0 million for increasing subsidies to eligible recipients participating in the Double Up Food Bucks program. The program increases the purchasing power of Michigan residents who receive Supplemental Nutritional Assistance Program benefits by providing a dollar-for-dollar match of up to \$20 per day to buy fresh fruits and vegetables at participating grocery stores and farmer's markets.

Gross **\$1,000,000**
 Federal
 GF/GP 1,000,000
 \$0

EDUCATION

2. Child Care Rate Reduction Stipend

Includes \$125.0 million for the department to provide child care rate reduction stipends to child care providers to reduce child care costs to families. All licensed child care providers that received grants from the Child Care Relief Fund would be eligible to receive a child care rate reduction stipend for each of the months of June, July, and August.

Gross **\$125,000,000**
 Federal
 GF/GP 125,000,000
 \$0

<u>FY 2019-20 Supplemental Appropriation Items</u>		Appropriation Change
3. District COVID-19 Costs		
Includes \$18.0 million for the department to allocate to local school districts and public school academies to support instructional recovery programming, benchmark assessments, or health and safety expenditures necessary to provide instruction safely due to COVID-19.	Gross	\$18,000,000
	Federal	18,000,000
	GF/GP	\$0
HEALTH AND HUMAN SERVICES		
4. COVID-19 Direct Care Worker Hazard Pay Adjustment		
Includes \$120.0 million for the department to increase wages paid to direct care workers by \$2 per hour above the rates paid on March 1, 2020 beginning July 1, 2020 and continuing until September 30, 2020.	Gross	\$120,000,000
	Federal	120,000,000
	GF/GP	\$0
5. Food Bank Council of Michigan		
Includes \$9.0 million to support operations of the Food Bank Council of Michigan, which assists in providing food to low-income individuals. Services include the Mobile Food Bank program, the Family Food Box program, and the Michigan Agricultural Surplus System.	Gross	\$9,000,000
	Federal	9,000,000
	GF/GP	\$0
6. Inpatient Behavioral Health Grants		
Includes \$5.1 million for a \$100 per diem increase to the inpatient psychiatric hospital rate adjustment program received in the first quarter of 2020 through the Medicaid prepaid inpatient health plans.	Gross	\$5,100,000
	Federal	5,100,000
	GF/GP	\$0
7. Multicultural Integration Funding		
Includes \$5.0 million to support grants to multicultural contractors and organizations, which provide public assistance and health services to culturally-diverse populations.	Gross	\$5,000,000
	Federal	5,000,000
	GF/GP	\$0
8. Personal Protection Equipment Grants		
Includes \$25.0 million for the department to provide grants to specified priority providers for personal protection equipment, COVID-19 testing, and COVID-19 testing equipment.	Gross	\$25,000,000
	Federal	25,000,000
	GF/GP	\$0
9. Victim Services Continuity and Stability Grants		
Includes \$4.0 million for the Michigan Domestic and Sexual Violence Prevention and Treatment Board to award grants to organizations that provide victim services for victims of domestic violence, sexual assault, and stalking. Grant awards would be capped at \$50,000 per organization, and not less than \$950,000 would be awarded to child advocacy centers.	Gross	\$4,000,000
	Federal	4,000,000
	GF/GP	\$0
10. Water Utility Assistance		
Includes \$25.0 million for the department to reimburse water utility providers for providing bill forgiveness for arrearages and fees incurred by residential water customers during the COVID-19 state of emergency and for providing a 25% discount on the total water bill for eligible customers through the end of December 2020. Reimbursement for each arrearage would be capped at \$700.	Gross	\$25,000,000
	Federal	25,000,000
	GF/GP	\$0
LABOR AND ECONOMIC OPPORTUNITY		
11. MiOSHA COVID-19 Response Grants		
Includes \$10.0 million for the department to allocate for the following purposes: \$8.6 million for a voluntary grant program for employers with 250 or fewer employees under the jurisdiction of MiOSHA to purchase safety and health-related equipment; \$1.0 million for a COVID-19 workplace safety public awareness campaign to educate employers and employees; and \$450,000 to partner with a state university to create a web-based application to enable widespread COVID-19 symptom tracking data to be collected across the state.	Gross	\$10,000,000
	Federal	10,000,000
	GF/GP	\$0
12. Rental Assistance		
Includes \$60.0 million for the department to work with DHHS, the Judiciary, local community action agencies, and legal aid organizations to create a rental assistance program. Funding would be allocated as follows: not more than \$4.0 million to legal aid organizations for legal services; not more than \$4.0 million to local community action agencies for program case management staff and related costs; not more than \$2.0 million for department administrative costs and to support a public awareness campaign; and remaining funding to pay for rent arrearages and rent subsidies to minimize evictions.	Gross	\$60,000,000
	Federal	60,000,000
	GF/GP	\$0

<u>FY 2019-20 Supplemental Appropriation Items</u>		<u>Appropriation Change</u>
13. Small Business Restart Grants	Gross	\$115,000,000
Includes \$115.0 million for a small business restart grant program, with not less than \$10.0 million designated for agriculture processing safety grants, not less than \$5.0 million for farming safety grants, and not more than \$100.0 million designated for grants to assist qualifying small businesses or nonprofits with restarting operations. Agriculture processing and farming safety grants would be capped at \$1,000 per employee. Grants awarded to small businesses and nonprofits would be capped at \$20,000 per business or nonprofit.	Federal	115,000,000
	GF/GP	\$0
14. Unemployment Insurance Agency	Gross	\$29,109,500
Includes \$29.1 million in federal Department of Labor, Employment and Training Administration funding for the department to use with other approved funds to increase capacity by an estimated 500 term-limited employees or contractors for up to 6 months, and to purchase software, equipment, and other supplies necessary for processing unemployment claims, reducing backlogs and time lags, providing customer service to claimants, and any other allowable use under federal guidelines.	Federal	29,109,500
	GF/GP	\$0
LICENSING AND REGULATORY AFFAIRS		
15. Nursing Facility Infection Control Surveys	Gross	\$1,400,000
Includes \$1.4 million for limited-term Bureau of Community and Health Systems staff to conduct state COVID-19 infection control surveys in skilled nursing facilities, and, if necessary, to connect nursing facilities with the Public Health Division of DHHS to provide training and education to staff and clinicians to maintain infection control practices to mitigate the spread of COVID-19 infections.	Federal	1,400,000
	GF/GP	\$0
TREASURY		
16. Device Purchasing Program/Distance Learning	Gross	\$25,000,000
Includes \$25.0 million to be allocated to the Michigan Association of Intermediate School Administrators (MAISA) to be used for the coordination and incentivizing of strategic purchasing of devices that would be used by students at home and in the school environment and to address immediate access and connectivity issues for students, families, and community members who do not have internet access. MAISA would be required to use the funds to make devices affordable for all K-12 districts through a statewide purchase program.	Federal	25,000,000
	GF/GP	\$0
17. First Responder Hazard Pay Premiums	Gross	\$100,000,000
Includes \$100.0 million for the payment or reimbursement of first responder hazard pay premiums provided to first responders who performed hazardous duty or work related to COVID-19. First responders would include law enforcement officers, firefighters, emergency medical technicians, paramedics, 9-1-1 operators, local unit of government corrections officers, airport public safety officers, and eligible personnel associated with ambulance operations. No more than \$5.0 million would be awarded to any applicant, and the maximum reimbursement amount would be capped at \$1,000 per eligible first responder.	Federal	100,000,000
	GF/GP	\$0
18. Hospitality Relief Fund	Gross	\$2,500,000
Includes \$2.5 million to be allocated to the Michigan Restaurant and Lodging Association Educational Foundation to be used to provide grants of up to \$500 to individuals who were employed in the hospitality industry in Michigan as of March 10, 2020 and who can demonstrate need.	Federal	2,500,000
	GF/GP	\$0
19. Local Units of Government	Gross	\$200,000,000
Includes \$200.0 million for reimbursing counties, cities, villages, and townships for eligible public safety and public health payroll expenditures under the federal CARES Act, Public Law 116-136.	Federal	200,000,000
	GF/GP	\$0

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.

FY 2019-20 Supplemental Boilerplate Items

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.

Sec. 204. Appropriations Subject to Federal Audit and Reporting Requirements

Subjects appropriations to applicable federal audit and reporting requirements; requires prompt action by the state budget director if instances of noncompliance are identified; requires the state budget director to notify the Senate and House Appropriations Committees and Fiscal Agencies of incidences of noncompliance; authorizes departments to require all sub-recipients of federal funding to comply with federal requirements; authorizes the state budget director to withhold payment of funds or retract funding if recipients are not abiding by requirements.

Sec. 205. Report on Status of COVID-19 Appropriations

Requires the state budget director to report on the status of all funds appropriated related to the coronavirus relief effort on a monthly basis until all funds are exhausted.

AGRICULTURE AND RURAL DEVELOPMENT

Sec. 251. Double Up Food Bucks Program

Requires appropriation to be used for increasing subsidies to eligible recipients; prohibits appropriation from being used for program administration costs.

EDUCATION

Sec. 301. Child Care Rate Reduction Stipend

Requires appropriation to be used by the department to provide child care rate reduction stipends as an add-on to the Child Care Relief Fund grant to reduce child care costs to families; authorizes licensed child care providers that received grants from the Child Care Relief Fund to be eligible to receive a rate reduction stipend for each of the months of June, July, and August; requires the department to reimburse providers up to 30% of the tuition amount charged for each child cared for; requires providers to reduce the monthly billed amount to families; requires the department to take reasonable steps to distribute the stipend within 15 business days of receiving an application unless the provider fails to meet requirements, and to provide notice and information on how to apply for the stipend; requires providers to maintain all billing and refund records; requires the department to prorate payments if funds allocated are insufficient to fully fund the stipend.

Sec. 302. District COVID-19 Costs

Requires appropriation to be allocated statewide to local school districts and public school academies to support instructional recovery programming, benchmark assessments, or health and safety expenditures necessary to provide instruction safely due to COVID-19; defines an instructional recovery program as one specifically designed to enable students to catch up and resume learning that was interrupted due to COVID-19; requires funding to be allocated on an equal per-pupil basis, based on the number of pupils in each district; defines district.

HEALTH AND HUMAN SERVICES

Sec. 401. COVID-19 Direct Care Worker Hazard Pay Adjustment

Requires appropriation to be used to increase wages paid to direct care workers by \$2 per hour above the rates paid on March 1, 2020 beginning July 1, 2020 and continuing until September 30, 2020; lists employees that would be eligible to receive the increased wage; requires contractors and subcontractors to provide documentation of wage increases; prohibits wage increase from being used when determining employees' average compensation; authorizes direct care workers to elect to not receive the wage increase either in writing or electronically.

Sec. 402. Inpatient Behavioral Health Grants

Requires appropriation to be distributed in a manner consistent with a \$100 per diem increase to the inpatient psychiatric hospital rate adjustment program received in the first quarter of 2020 through the Medicaid prepaid inpatient health plans; requires hospitals to use funds for necessary expenditures incurred as a result of COVID-19.

Sec. 403. Victim Services Continuity and Stability Grants

Requires appropriation to be used by the Michigan Domestic and Sexual Violence Prevention and Treatment Board for grants to organizations that provide victim services for victims of domestic violence, sexual assault, and stalking; lists allowable uses of grant funding; caps grant awards at \$50,000 per organization and requires not less than \$950,000 to be awarded to child advocacy centers; requires a report on the number of grant applications received, grants awarded, and grant amounts; designates unexpended funding as a work project appropriation.

Sec. 404. Water Utility Assistance

Requires appropriation to be used to create a residential emergency relief program to provide direct payment assistance for all water and wastewater utilities designed to help households retain water service as an essential public health method of mitigating the spread of COVID-19; requires the department to reimburse water utility providers for providing bill forgiveness for arrearages and fees incurred by residential water customers during the COVID-19 state of emergency and for providing a 25% discount on the total water bill for eligible customers through the end of December 2020; caps reimbursement for each arrearage at \$700; lists eligibility criteria for water utility providers to receive funds; designates unexpended funding as a work project appropriation.

FY 2019-20 Supplemental Boilerplate Items

Sec. 405. Personal Protection Equipment Grants

Requires appropriation to be used to provide grants for personal protection equipment (PPE), testing, and testing equipment to priority providers; lists priority providers; requires a report on the number of grant applications received, grants awarded, and grantees by county.

LABOR AND ECONOMIC OPPORTUNITY

Sec. 501. Unemployment Insurance Agency

Requires appropriation to be used by the department to increase capacity by an estimated 500 term-limited employees or contractors for up to 6 months, and to purchase software, equipment, and other supplies necessary for processing unemployment claims, reducing backlogs and time lags, providing customer service to claimants, and any other allowable use under federal guidelines; designates unexpended funding as a work project appropriation.

Sec. 502. Small Business Restart Grants – Agriculture Processing and Farming Safety Grants

Requires not less than \$10.0 million of the appropriation for small business restart grants to be used to support agriculture processing safety grants and not less than \$5.0 million for farming safety grants; authorizes grant awards to be used for COVID-19 testing costs, facility and farm needs for protection against the spread of the virus, personal protection equipment, and screening procedures; caps grant awards at \$1,000 per employee; requires the Michigan Strategic Fund to develop guidelines, to obtain expenditure reports from grant recipients, and to report on the results of the expenditure reports; requires a report on the number of grant applications received, grants awarded, and grantees by county; designates unexpended funding as a work project appropriation.

Sec. 503. Small Business Restart Grants – Small Businesses

Requires not more than \$100.0 million of the appropriation for small business restart grants to be provided by the 15 local and nonprofit economic development organizations to support small businesses and nonprofits that have realized a significant financial hardship as a result of the COVID-19 emergency; authorizes a base amount of \$3.5 million to be awarded by each of the 15 local and nonprofit economic development organizations; requires the Michigan Strategic Fund, in consultation with the 15 local and nonprofit economic development organizations, to determine a fair method for distributing the remaining funds; caps grant awards to eligible business and nonprofits at \$20,000; lists authorized uses of grant funding; requires a monthly report on grants awarded in the previous month; designates unexpended funding as a work project appropriation.

Sec. 506. Rental Assistance

Requires appropriation to be used by the department, along with DHHS, the Judiciary, local community action agencies, and legal aid organizations, to create a rental assistance program; allocates not more than \$4.0 million to legal aid organizations for legal services, not more than \$4.0 million to local community action agencies for program case management staff and related costs, not more than \$2.0 million for department administrative costs and to support a public awareness campaign, and the remaining funding to pay for rent arrearages and rent subsidies to minimize evictions; designates unexpended funding as a work project appropriation.

Sec. 507. MiOSHA COVID-19 Response Grants

Requires appropriation to be allocated as follows: \$8.6 million for a voluntary grant program for employers with 250 or fewer employees under the jurisdiction of MiOSHA to purchase safety and health-related equipment, \$1.0 million for a COVID-19 workplace safety public awareness campaign to educate employers and employees, and \$450,000 to partner with a state university to create a web-based application to enable widespread COVID-19 symptom tracking data to be collected across the state; designates unexpended funding as a work project appropriation.

LICENSING AND REGULATORY AFFAIRS

Sec. 551. Nursing Facility Infection Control Surveys

Requires appropriation to be used for limited-term Bureau of Community and Health Systems staff to conduct state COVID-19 infection control surveys in skilled nursing facilities, and, if necessary, to connect nursing facilities with the Public Health Division of DHHS to provide training and education to staff and clinicians to maintain infection control practices to mitigate the spread of COVID-19 infections; designates unexpended funding as a work project appropriation.

TREASURY

Sec. 601. First Responder Hazard Pay Premiums

Requires appropriation to be used for the payment or reimbursement of first responder hazard pay premiums provided to first responders who performed hazardous duty or work related to COVID-19; lists eligible first responders as law enforcement officers, firefighters, emergency medical technicians, paramedics, 9-1-1 operators, local unit of government corrections officers, airport public safety officers, and eligible personnel associated with ambulance operations; prohibits more than \$5.0 million to be awarded to any applicant; caps the reimbursement amount at \$1,000 per eligible employee; requires the department to report on grants awarded; designates unexpended funding as a work project appropriation.

FY 2019-20 Supplemental Boilerplate Items

Sec. 602. Device Purchasing Program/Distance Learning

Requires appropriation to be allocated to the Michigan Association of Intermediate School Administrators to be used for the device purchasing program and distance learning; requires funding to be used for the coordination and incentivizing of strategic purchasing of devices that would be used by students at home and in the school environment and to address immediate access and connectivity issues for students, families, and community members who do not have internet access; requires an incentive for use of the SPOT bid in purchasing; specifies criteria that districts must meet in order to receive funding under the program; requires recognition of other funding received by districts under the federal CARES Act and corresponding reductions in requested incentives; requires a report on measurable outcomes based on program objectives and devices purchased; designates unexpended funding as a work project appropriation.

Sec. 603. Hospitality Relief Fund

Requires appropriation to be used by the Michigan Restaurant and Lodging Association Educational Foundation to provide grants of up to \$500 to individuals who were employed in the hospitality industry in Michigan as of March 10, 2020 and who can demonstrate need; lists eligibility requirements for applicants; requires a report on expenditures, including the total amount of grants awarded and number of individuals that received grant funding.

Sec. 604. Local Units of Government

Requires appropriation to be used to reimburse counties, cities, villages, and townships for eligible public safety and public health payroll expenditures under the federal CARES Act; lists process to follow for applying for and receiving grant funding; designates unexpended funding as a work project appropriation.