



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4610 (Substitute H-1 as passed by the House)
Sponsor: Representative Diana Farrington
House Committee: Appropriations
Senate Committee: Appropriations

Date Completed: 4-10-18

CONTENT

The bill would amend the Emergency Management Act to increase the cap on disaster assistance grants available to local units of government from the Disaster and Emergency Contingency Fund (DECF) from \$100,000 or 10% of the local unit's total operating budget for the preceding fiscal year, whichever is less, to 10% of its total operating budget or the following, whichever was less:

- \$250,000 for a county or municipality with a population under 25,000.
- \$500,000 for a county or municipality with a population between 25,000 and 75,000.
- \$1.0 million for a county or municipality with a population greater than 75,000.

The population would be determined according to the most recent Federal decennial census.

The bill is tie-barred to House Bill 4609, which would amend the Act to increase the minimum required Fund balance from \$1.0 million to \$2.5 million.

MCL 30.419

FISCAL IMPACT

The amount of a given award of disaster assistance from the DECF could increase under the provisions of the bill, dependent upon appropriations made to the DECF (which currently shows a balance of \$10.7 million), the amount of eligible costs, the population of a county or municipality, and the amount of its prior year total operating budget. As a result of an earlier amendment to the Act, Public Act 110 of 2013, which raised the cap on eligible disaster assistance grants from \$30,000 to \$100,000, many units of government received assistance greater than they would have received under previous statutory provisions. By the same token, larger awards would be expected in certain cases under House Bill 4610 (H-1). Table 1 shows some examples of how the bill could affect awards given under current criteria.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

Table 1
FY 2013-14 Disaster Assistance Grant Amounts
Current Law Compared to HB 4610
(Actual Dollars)

Local Unit	Population	10% Budget	Eligible Costs	Current Law	HB 4610	Difference
Mt. Pleasant	26,016	\$1,425,520	\$504,568	\$100,000	\$500,000	\$400,000
Isabella County	70,331	1,747,914	1,177,876	100,000	500,000	400,000
Newaygo County	48,460	6,743,909	200,151	100,000	200,151	100,151
Osceola County	23,528	2,050,345	336,362	100,000	250,000	150,000
Roscommon County	24,449	837,081	165,022	100,000	165,022	65,022
Wexford County	32,735	723,329	199,623	100,000	199,623	99,623
Disaster Subtotal			\$2,583,602	\$600,000	\$1,814,796	\$1,214,796
Charlevoix	2,513	\$348,076	\$117,642	\$100,000	\$117,642	\$17,642
Escanaba	12,616	2,778,062	102,537	100,000	102,537	2,537
Gladstone	4,973	463,844	105,418	100,000	105,418	5,418
Ironwood	5,387	1,332,393	101,444	100,000	101,444	1,444
Ishpeming	6,470	336,793	222,371	100,000	222,371	122,371
Marquette	21,355	1,803,454	229,231	100,000	229,231	129,231
Negaunee	4,568	994,775	167,511	100,000	167,511	67,511
St. Ignace	2,452	608,628	136,353	100,000	136,353	36,353
Marquette Township	3,905	362,408	113,529	100,000	113,529	13,529
Chippewa County	38,520	2,641,382	504,050	100,000	250,000	150,000
Disaster Subtotal			\$1,800,086	\$1,000,000	\$1,546,036	\$546,036

Source: Department of State Police