



STATE OF MICHIGAN
STATE BUDGET OFFICE
LANSING

GRETCHEN WHITMER
GOVERNOR

DAVID P. MASSARON
DIRECTOR

February 11, 2021

The Honorable Jim Stamas, Chair
Senate Appropriations Committee
Michigan State Senate
State Capitol
Lansing, Michigan 48909

The Honorable Thomas Albert, Chair
House Appropriations Committee
Michigan House of Representatives
State Capitol
Lansing, Michigan 48909

Dear Legislators:

SUBJECT: Supplemental Request 2020-6

Attached please find supplemental recommendations for fiscal year 2020 for the departments of Health and Human Services; Military and Veterans Affairs; State Police; and Treasury.

If you have any questions regarding this request, please contact Bethany Wicksall at (517) 335-3420.

Sincerely,

David P. Massaron
State Budget Director

Attachment

cc: Mike Shirkey, Senate Majority Leader
Jason Wentworth, Speaker of the House
Jim Ananich, Senate Minority Leader
Donna Lasinski, House Minority Leader
Senate Appropriations Committee
House Appropriations Committee
Senate Fiscal Agency
House Fiscal Agency

Departments
JoAnne Huls, Chief of Staff
Tricia Foster, Chief Operating Officer
Jen Flood, Deputy Chief of Staff
George Cook, Director of Legislative Affairs
Bethany Wicksall, Acting Deputy State Budget
Director
Heather Boyd, Office of Financial Management
Internal State Budget Office

Report ID: BUD-SUPLET-0047

SIGMA

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Supplemental Letter Detail

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Supplemental Letter # 2020-6

Health and Human Services

Appropriation Summary	Appn/Fund	
GROSS APPROPRIATION		0
Total interdepartmental grants and interdepartmental transfers	IDGT	0
ADJUSTED GROSS APPROPRIATION		0
Total federal revenues	FDRL	0
Total local revenues	LOCL	0
Total private revenues	PRIV	0
Total other state restricted revenues	STRS	0
State general fund/general purpose	GFGP	0
DEPARTMENTAL ADMINISTRATION AND SUPPORT	Appn/Fund	
Administrative hearings officers	12020	(1,600,000)
GROSS APPROPRIATION		(1,600,000)
Appropriated from:		
State general fund/general purpose	1000	(1,600,000)
CHILD SUPPORT ENFORCEMENT	Appn/Fund	
Child support enforcement operations	34360	(800,000)
GROSS APPROPRIATION		(800,000)
Appropriated from:		
State general fund/general purpose	1000	(800,000)
CHILDREN'S SERVICES AGENCY - CHILD WELFARE	Appn/Fund	
Contractual services, supplies, and materials	37800	(600,000)
GROSS APPROPRIATION		(600,000)
Appropriated from:		
State general fund/general purpose	1000	(600,000)
FIELD OPERATIONS AND SUPPORT SERVICES	Appn/Fund	
Electronic benefit transfer (EBT)	41050	(184,300)
GROSS APPROPRIATION		(184,300)
Appropriated from:		
State general fund/general purpose	1000	(184,300)

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DISABILITY DETERMINATION SERVICES	Appn/Fund	
Disability determination operations	39650	(500,000)
GROSS APPROPRIATION		(500,000)
Appropriated from:		
State general fund/general purpose	1000	(500,000)
EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY	Appn/Fund	
Epidemiology administration	42250	(350,000)
PFAS and environmental contamination response	58520	(250,000)
GROSS APPROPRIATION		(600,000)
Appropriated from:		
State general fund/general purpose	1000	(600,000)
FAMILY HEALTH SERVICES	Appn/Fund	
Dental programs	39250A	(250,000)
Family, maternal, and child health administration	43000	(207,700)
GROSS APPROPRIATION		(457,700)
Appropriated from:		
Private funds	5000	(457,700)
CHILDREN'S SPECIAL HEALTH CARE SERVICES	Appn/Fund	
Medical care and treatment	52850	5,700,000
GROSS APPROPRIATION		5,700,000
Appropriated from:		
Federal funds	3000	5,700,000
MEDICAL SERVICES ADMINISTRATION	Appn/Fund	
Healthy Michigan plan administration	47610	(6,750,000)
Medical services administration	53000	457,700
GROSS APPROPRIATION		(6,292,300)
Appropriated from:		
Federal funds	3000	(5,700,000)
Private funds	5000	457,700
State general fund/general purpose	1000	(1,050,000)

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MEDICAL SERVICES	Appn/Fund	
Integrated care organizations	49450	4,425,600
Long-term care services	51950	(33,555,300)
Pharmaceutical services	58550	14,951,400
School-based services	63450	14,178,300
GROSS APPROPRIATION		0
Appropriated from:		
Federal funds	3000	0

INFORMATION TECHNOLOGY	Appn/Fund	
Information technology services and projects	16020	5,334,300
GROSS APPROPRIATION		5,334,300
Appropriated from:		
State general fund/general purpose	1000	5,334,300

Explanation

The supplemental request provides for necessary FY 2020 bookclosing adjustments.

Federal authorization is shifted within Medical Services Unit. \$33.6 million in federal authorization is transferred from Long-Term Care Services line to Integrated Care Organizations (\$4.4 million), Pharmaceutical Services (\$15 million), and School-Based Services (\$14.2 million) line items.

Federal authorization is also shifted between the Medical Services Administration Unit and Children's Special Health Care Services Unit. \$5.7 million federal is transferred from the Healthy Michigan Plan Administration line to the Medical Care and Treatment line.

Private authorization is shifted between Family Health Services Unit to Medical Service Administration Unit. \$457,000 in private authorization is transferred from Dental Programs (\$250,000) and Family, Maternal, and Child Health Administration (\$207,000) lines to the Medical Services Administration line supporting FY20 expenditures associated with Michigan Health Endowment awards.

General fund is shifted from various units to the Information Technology Unit. The supplemental transfers \$5.3 million General Fund from Administrative Hearings Officers (\$1.6 million), Child Support Enforcement Operations (\$800,000), Contractual Services, Supplies, and Materials (\$600,000), Electronic Benefit Transfer (\$184,300), Disability Determination Operations (\$500,000), Epidemiology Administration (\$350,000), PFAS and Environmental Contamination Response (\$250,000), Healthy Michigan Plan Administration (\$1.1 million) to the Information Technology Services & Projects line item. This request is consistent with the General Fund adjustment to the Information Technology Services and Projects line included in the requested FY 2020 supplemental that was released with the FY 2021 Executive Recommendation.

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Military and Veterans Affairs

Appropriation Summary	Appn/Fund	
GROSS APPROPRIATION		0
Total interdepartmental grants and interdepartmental transfers	IDGT	0
ADJUSTED GROSS APPROPRIATION		0
Total federal revenues	FDRL	0
Total local revenues	LOCL	0
Total private revenues	PRIV	0
Total other state restricted revenues	STRS	0
State general fund/general purpose	GFGP	0

MILITARY	Appn/Fund	
Departmentwide	11540	70,000
Headquarters and armories	46870	(190,000)
GROSS APPROPRIATION		(120,000)
Appropriated from:		
State general fund/general purpose	1000	(120,000)

MICHIGAN VETERANS AFFAIRS AGENCY	Appn/Fund	
Michigan veterans affairs agency administration	54350	(525,000)
Michigan veterans facility authority	54360	525,000
GROSS APPROPRIATION		0
Appropriated from:		
State general fund/general purpose	1000	0

INFORMATION TECHNOLOGY	Appn/Fund	
Information technology services and projects	16020	120,000
GROSS APPROPRIATION		120,000
Appropriated from:		
State general fund/general purpose	1000	120,000

Explanation

This request increases General Fund authorization in the Michigan Veterans Facility Authority line to support information technology needs associated with opening two new veterans homes. Spending authority is reduced accordingly in the Michigan Veterans Affairs Agency Administration line due to vacancy savings.

This request increases General Fund authorization in the Information Technology Services and Projects and Departmentwide lines to support the department's actual information technology, workers compensation, travel, and equipment costs. Spending authority is reduced accordingly in the Headquarters and Armories line due to vacancy savings.

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State Police

Appropriation Summary	Appn/Fund	
GROSS APPROPRIATION		0
Total interdepartmental grants and interdepartmental transfers	IDGT	0
ADJUSTED GROSS APPROPRIATION		0
Total federal revenues	FDRL	0
Total local revenues	LOCL	0
Total private revenues	PRIV	0
Total other state restricted revenues	STRS	0
State general fund/general purpose	GFGP	0

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	Appn/Fund	
Public safety officers benefit program	50600	(100,000)
Standards and training/justice training grants	65380	100,000
GROSS APPROPRIATION		0
Appropriated from:		
State general fund/general purpose	1000	0

FIELD SERVICES	Appn/Fund	
Investigative services	33530	1,800,000
Post operations	45610	(350,000)
GROSS APPROPRIATION		1,450,000
Appropriated from:		
Reimbursed services, federal investigations	3227	1,800,000
State general fund/general purpose	1000	(350,000)

SPECIALIZED SERVICES	Appn/Fund	
Emergency management and homeland security	41460	(1,800,000)
Secondary road patrol program	63650	350,000
GROSS APPROPRIATION		(1,450,000)
Appropriated from:		
DHS	3565	(1,800,000)
State general fund/general purpose	1000	350,000

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Explanation

This supplemental request increases General Fund authorization in the Public Safety Officers Benefit Program line to support increased benefit claims received in Fiscal Year 2020. To support the increase in authorization in the Public Safety Officers Benefit Program line, General Fund authorization is being reduced Standard and Training/Justice Training Grant line based on available Medical Marijuana Regulatory Funds to support administrative expenses and accrued vacancy savings.

This supplemental request increases Federal authorization in the Investigative Services line to align authorization with available federal High Intensity Drug Trafficking Areas (HIDTA) grant funds. Grant funds support targeted drug enforcement activities by multi-jurisdictional task forces across the state. To support the increase in authorization in the Investigative Services line, Federal authorization is being reduced in the Emergency Management and Homeland Security line to due to lower than expected revenues.

This supplemental request increases General Fund authorization in the Secondary Road Patrol Program line to fully support grants allocated to counties for secondary road patrols. Due to a significant decline in traffic citations, Secondary Road Patrol and Training Fund revenues cannot support county grant allocations. To support the increase in authorization in the Secondary Road Patrol Program line, General Fund authorization is being reduced in the Post Operations line due to savings resulting from the delayed start of the Fiscal Year 2020 Trooper Recruit School due to COVID-19.

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Treasury

Boilerplate

Sec. xxx. Revenue from the Michigan regulation and taxation of marihuana act, Initiated Law 1 of 2018, MCL 333.27951 to 333.27967 is appropriated and distributed pursuant to the Michigan regulation and taxation of marihuana act, Initiated Law 1 of 2018, MCL 333.27951 to 333.27967.

Explanation

This recommended language provides Treasury with the authority to distribute revenues received under the Michigan Regulation and Taxation of Marihuana Act (Initiated Law 1 of 2018), including the excise tax imposed in section 13 on marihuana retailers and microbusinesses. Revenues are distributed in accordance with section 14 of the Act. This same language is recommended as part of supplemental request letter 2021-5 for fiscal year 2021 and is included in the fiscal year 2022 Executive Recommendation. Similar language has existed in Treasury boilerplate related to the Medical Marihuana Facilities Licensing Act (PA 281 of 2016).