

State Notes
TOPICS OF LEGISLATIVE INTEREST
Winter 2017



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Capital Outlay Construction Authorizations **By Bill Bowerman, Associate Director**

Introduction

Public Act 340 of 2016 was enacted to make supplemental appropriations for fiscal year (FY) 2015-16 and FY 2016-17. Section 153 of the Act includes FY 2016-17 Capital Outlay construction authorizations for three projects that will be financed through the State Building Authority. They include Southwestern Michigan College's Nursing and Health Education Building renovation and expansion project and two new veterans' homes under the jurisdiction of the Department of Military and Veterans Affairs. This article provides an overview of the construction authorizations contained in Public Act 340 of 2016, and a summary of remaining authorized planning projects that are pending construction authorization from the State.

Capital Outlay Process

The first step in the capital outlay process for universities, community colleges, and State agencies is the development of a capital outlay five-year plan that identifies capital outlay needs, including new construction, or the addition, renovation, adaptive reuse, and improvement of existing facilities. These five-year plans are required to be submitted to the Department of Technology, Management, and Budget (DTMB), the Joint Capital Outlay Subcommittee (JCOS), and the House and Senate Fiscal Agencies by November 1 of each year. Along with the capital outlay five-year plan, institutions may elect to submit a capital outlay request for State cost participation. "Requests for State funding of capital outlay projects are to be a logical extension of information contained in the comprehensive Five-Year Capital Outlay Plan."¹ The DTMB, and the JCOS Chairperson and Vice-Chairperson review and evaluate project requests. Planning authorizations are required to be approved by JCOS and the Legislature through the appropriations process. Appropriations for studies and initial plans (planning authorizations) are not a commitment on the part of the Legislature to appropriate funds for completion of a project. After institutions and State agencies submit completed program statements and schematic planning documents to the DTMB and JCOS, and they review and approve the project, the Legislature may authorize the project for final design and construction in an appropriation bill.

Details on this capital outlay process, including evaluation criteria, timelines, and other requirements, are included in Section 242 of the Management and Budget Act, Public Act 431 of 1984 ([Appendix A](#)).

State Funding

The State Building Authority (SBA) is the mechanism the State uses to fund its share of costs for State agency, university, and community college capital outlay projects. Bonds are issued by the SBA. The State share of costs for university projects has traditionally been based on a 75/25 State/institution match. However, this match has been limited to a maximum State share of \$30.0 million since 2010. Community college projects traditionally have a 50/50 State/institution match. The SBA funds 100% of the cost of State agency projects. To enable the SBA to bond in order to finance

¹ Capital Outlay Budget Instructions Letter to University and Community College Presidents from State Budget Director, September 6, 2016.



the State share of a project's costs, the property is conveyed to the SBA and leased back to the State. Pursuant to the SBA Act (Public Act 183 of 1964), the conveyance and lease are subject to prior approval by the State Administrative Board, the Attorney General, the governing body of the institution of higher education, and the Legislature. While the SBA holds title to the property, the State, through annual appropriations, pays rent to the SBA to fund annual debt service costs of SBA bonds. After the bonds are paid off, the property is transferred back to the State (in the case of State agency projects) or the institution (in the case of university and community college projects). Pursuant to Section 8(15) of the SBA Act, the SBA may not at any one time have obligations outstanding in a principal amount totaling more than \$2.7 billion. Interest and costs of borrowing are not included in this limit. The remaining available bond capacity in FY 2017-18 is currently estimated at \$653.0 million.

The SBA has been a major source of funding for State agency, university, and community college construction projects. The SBA reports that it has financed \$5.4 billion for construction projects since 1979.²

Public Act 340 of 2016 Construction Authorizations

Southwestern Michigan College: Nursing and Health Education Building Renovation and Expansion

The Southwestern Michigan College Nursing and Health Education Building renovation and expansion project was authorized for planning in Public Act 268 of 2016. The 22,000 square-foot project (12,000 square feet of renovation and a 10,000 square-foot addition) includes replacement of exterior cladding, windows, and roofing. Other improvements include energy efficiency upgrades, reallocation of interior spaces, handicap accessible restrooms, interior finishes, mechanical, plumbing, and electrical systems, and site improvements. The project also includes new instructional equipment for nursing and related health fields, new state-of-the-art simulation labs, and other instructional spaces. The renovation will enhance the capacity of the College, located in Dowagiac, to provide students with instruction in the nursing and health fields. Construction is planned to commence in May 2017, with completion by July 2018.

The estimated total cost for the project was \$8.0 million (\$4.0 million State share and \$4.0 million college share). During the final planning and design process, the scope of the work was expanded to address additional energy conservation, electrical and mechanical system upgrades, and asbestos abatement requirements. This resulted in a revised total cost of \$9.6 million. The College is funding the entire \$1.6 million cost increase (total authorized cost \$9,636,900: State share \$4.0 million; Southwestern Michigan College share \$5,636,900). Financing the State share through the SBA will result in an annual State General Fund cost of approximately \$280,000 to \$360,000 until the bonds are paid off (approximately 17 years).

Department of Military and Veterans Affairs: Grand Rapids and Detroit Veterans Home Construction

The DTMB recommendation for the construction of two veterans' homes (in Grand Rapids and Detroit) emanates from a report completed by a workgroup formed to study ways to improve long-term care for Michigan veterans. The impetus for the creation of the Michigan Veterans Workgroup was a February 2016 Michigan Auditor General Performance Audit that identified pervasive issues at the Grand Rapids Home for Veterans. The workgroup consisted of legislators, veterans, State officials, and experts in long-term care facilities and operations. Recommendations of the workgroup included the creation of an authority that "transitions the two state homes [in Grand

² State Building Authority FY 2015 Project Cost Summary Report, March 2016.

Rapids and Marquette] into a system that is responsive to veterans' long-term care and aging needs". Additional facilities were recommended in locations based on the greatest need. The workgroup proposed the following phases:

- First Phase: Metro Detroit and Grand Rapids (replace the aging Grand Rapids home, but stay on the same grounds to take advantage of existing infrastructure)
- Second Phase: Flint/Saginaw/Bay City
- Third Phase: Jackson/Battle Creek
- Fourth Phase: Marquette (replace the aging facility)
- Fifth Phase: Northern Lower Peninsula
- Sixth Phase: Southeastern Michigan

For more detail on the workgroup's recommendations, see "Optimizing Health Care Resources - Team Veteran - How Michigan can help veterans with skilled nursing and long-term health care needs", September 2016.³

More detail on the Michigan Veterans' Facility Authority Act can be found in the Senate Fiscal Agency Summary of Senate Bill 1100 as enrolled.⁴

Construction of the first two veterans' homes will be financed through the SBA, with revenue from those homes being used by the newly created authority to finance the remaining five proposed homes. As mentioned above, Public Act 340 of 2016 includes construction authorizations for the Grand Rapids and Detroit homes. Pursuant to boilerplate language (Sec. 605) in the Department of Military and Veterans Affairs annual budget (Appendix B), the Michigan Veterans Affairs Agency and the DTMB contracted with TowerPinkster for the purpose of developing program and schematic planning documents for the first two new veterans' homes. One will be located on the site of the current Grand Rapids Veterans Home and the other at a yet-to-be-determined site in the City of Detroit. Each facility will be similar, consisting of 120 beds, approximately 132,000 gross square feet, and a central community center for meals, programming, and related services, connected through corridors to small community-based residential living areas.

The total authorized cost for both projects is \$108,049,000, with a State share of \$42,081,000 (38.9%) and an estimated Federal share of \$65,968,000 (61.1%). (Although the United States Department of Veterans Affairs will fund 65.0% of eligible project costs, not all of these costs are eligible.) The application deadline for Federal funds is April 2017. Construction is projected to commence in June 2018, with completion of both facilities by August 2019. While the plans are similar, the cost for the Grand Rapids and Detroit facilities varies due to land acquisition costs in Detroit, and different labor market costs. Of the total estimated \$108,049,000 cost, the Detroit facility accounts for \$58.2 million and the Grand Rapids facility \$49.9 million. Based on eligible costs, the Detroit facility will receive \$34.6 million (59.4%) from Federal funding and the Grand Rapids facility will receive \$31.4 million (63.0%) from Federal funds. Financing the State share (\$42.1 million) through the SBA will result in an annual State General Fund cost of approximately \$2.9 million to \$3.8 million until the bonds are paid off (approximately 17 years).

³The report is available on the website of the Michigan Veterans Affairs Agency, through the Quick Link "[Michigan Veterans Workgroup Report](#)".

⁴[http://www.legislature.mi.gov/\(S\(lxgddladrx4jl3c3vojsjwg3\)\)/mileg.aspx?page=getobject&objectname=2016-SB-1100&query=on&highlight=authority](http://www.legislature.mi.gov/(S(lxgddladrx4jl3c3vojsjwg3))/mileg.aspx?page=getobject&objectname=2016-SB-1100&query=on&highlight=authority)



Conclusion

Public Act 340 of 2016 includes construction authorizations for three SBA-funded projects, with a State share of \$46.1 million (Table 1). When State share of costs comes online for all three projects, the annual State General Fund cost will be approximately \$3.2 million to \$4.1 million until the bonds are paid off (approximately 17 years).

Table 1

Public Act 340 of 2016 Construction Authorizations				
<u>Project</u>	<u>Authorized Cost</u>	<u>State</u>	<u>Federal</u>	<u>Institution</u>
Detroit Veterans Home	\$58,198,000	\$23,616,000	\$34,582,000	\$0
Grand Rapids Veterans Home	49,851,000	18,465,000	31,386,000	0
Southwestern College - Nursing and Health Education Building	<u>9,636,900</u>	<u>4,000,000</u>	<u>0</u>	<u>5,636,900</u>
Total	\$117,685,900	\$46,081,000	\$65,968,000	\$5,636,900

There are 18 existing planning authorizations (eight university, seven community college, and three State agency projects) that are pending construction authorizations from the State. Planning authorizations for those projects were contained in Public Act 241 of 2015 and Public Act 168 of 2016. Two of the State agency projects do not have cost estimates at this time.

The total cost of the pending construction authorizations is \$505.0 million, with an estimated State share of \$239.3 million (not including the yet-to-be-determined cost of two State agency projects). If these pending projects eventually receive construction authorizations, the annual State General Fund cost will be approximately \$16.8 million to \$21.5 million until the bonds are paid off (approximately 17 years). Table 2 provides a listing of pending construction authorizations.



Table 2

**Capital Outlay
 Pending Construction Authorizations**

Universities	Project	Total Cost	State Share ¹	Institution Share
Central	Center for Integrated Health Studies	\$26,000,000	\$19,500,000	\$6,500,000
Eastern	Strong Hall Renovation.....	39,536,000	29,652,000	9,884,000
Grand Valley	Science Classroom, Lab, and Office Building	70,000,000	29,000,000	41,000,000
Lake Superior	Center for Freshwater Research and Education	11,800,000	8,850,000	2,950,000
U of M - Ann Arbor	W.K. Kellogg Institute & Dental Bldg. Expansion & Renovation.....	122,000,000	30,000,000	92,000,000
U of M - Dearborn	Engineering Laboratory Bldg. Replacement.....	90,000,000	30,000,000	60,000,000
U of M - Flint	Murchie Science Building Addition	39,000,000	29,250,000	9,750,000
Western	College of Aviation Renovation & Addition	<u>20,000,000</u>	<u>15,000,000</u>	<u>5,000,000</u>
Subtotal Universities:		\$418,336,000	\$191,252,000	\$227,084,000
Community Colleges				
Delta	Saginaw Center	12,739,000	6,369,500	6,369,500
Kellogg	Regional Manufacturing Tech. Center Renovation & Addition.....	4,300,000	2,150,000	2,150,000
Lake Michigan	Napier Academic Building Renovation and Upgrade	16,954,600	8,477,300	8,477,300
Monroe	Renovation of East & West Technology Buildings	7,500,000	3,750,000	3,750,000
Muskegon	Health and Wellness Center.....	14,100,000	5,640,000	8,460,000
Northwestern	West Hall Innovation Center Renovation & Expansion.....	14,499,400	7,249,700	7,249,700
West Shore	Technical Center Renovation & Addition.....	<u>4,302,600</u>	<u>2,151,300</u>	<u>2,151,300</u>
Subtotal Community Colleges:		\$74,395,600	\$35,787,800	\$38,607,800
State Agencies				
Natural Resources	Coolwater Rearing Hatchery Improvements.....	\$12,242,500	\$12,242,500	N/A
Health & Human Services	Caro Center Modernization	N/A	N/A	N/A
State Police	Grand Rapids Laboratory, Rockford Post, & 6th District Headquarters Consolidation....	N/A	N/A	N/A
Subtotal State Agencies:		\$12,242,500	\$12,242,500	\$0
Total Pending Construction Authorizations		\$504,974,100	\$239,282,300	\$265,691,800

¹ For universities, the State match amounts reflect a 75% State match, limited to \$30.0 million. Grand Valley State University is funding more than the standard match. The State match for community college projects is 50%. Muskegon Community College proposed to fund more than the standard institution match, thereby reducing the State share for that project.

Appendix A

Section 242 of Public Act 431 of 1984 (Management and Budget Act)

Sec. 242. (1) State agencies, community colleges, and universities shall develop 5-year capital outlay plans, which shall identify capital outlay needs, including new construction, or the addition, renovation, adaptive reuse, and improvement of existing facilities. For state agencies, community colleges, and universities, the 5-year capital outlay plans shall also include the need for special maintenance. These plans shall be submitted in electronic format to the department, to members of the JCOS, and to the fiscal agencies not later than November 1 of each year.

(2) The department and the JCOS shall review state agency, community college, and university capital outlay plans. The department and the JCOS shall prioritize requests. The department shall include the department-recommended requests in the executive budget recommendation. If a state agency, community college, or university subsequently modifies a request, the revision shall be submitted to the department, members of the JCOS, and the fiscal agencies.

(3) The department and the chairperson and vice-chairperson of the JCOS shall review and evaluate by March 1 of each year capital outlay project requests received from community colleges, universities, and state agencies. All of the following shall be considered when reviewing and evaluating project requests: (a) Investment in existing facilities and infrastructure.

(b) Life and safety deficiencies.

(c) Occupancy and utilization of existing facilities.

(d) Integration of sustainable design to enhance the efficiency and operations of the facility.

(e) Estimated cost.

(f) Institutional support.

(g) Estimated operating costs.

(h) Impact on tuition, if any.

(i) Impact on job creation in this state.

(j) History of prior appropriations received by the institution through the capital outlay process.

(4) The request for program development and schematic planning must be approved by the JCOS and the legislature through the appropriation process.

(5) Program statements and schematic planning documents shall be reviewed by the department and, when the review is completed, shall be submitted to the JCOS as either approved or not approved.

(6) Upon review and approval by the JCOS, the JCOS and the legislature may authorize the project for final design and construction with a line-item appropriation in an appropriation bill. The appropriations bill shall include appropriations for projected state building authority rental payments associated with the projects that are authorized for construction. The authorization shall include the legislative lease approval required for state building authority financing.

(7) Preliminary plans shall be submitted to the department for review and approval. The department shall review and approve final plans to be prepared for bidding. A summary of bid results shall be submitted to the JCOS.

(8) The department shall provide for review and oversight of capital outlay projects financed either in total or in part by the state building authority pursuant to the provisions of sections 237 and 237a.

(9) Appropriations made for studies and initial plans shall not be considered a commitment on the part of the legislature to appropriate funds for the completion of plans or construction of any project based on the studies or planning documents.



Appendix B

Article XIV, Section 605 of Public Act 268 of 2016 (FY 2016-17 Appropriation Bill for the Department Of Military and Veterans Affairs)

VETERANS' HOMES PLANNING

Sec. 605. (1) Funds appropriated in part 1 for veterans' homes planning shall be used for the purposes of improving this state's services in providing homes for veterans, which includes, but is not limited to, the following:

- (a) Developing a long-term plan for this state's veterans' homes.
- (b) The acquisition of land or facilities for the purpose of expanding upon existing veterans' homes or creating new veterans' homes.
- (c) Constructing 1 or more new veterans' homes.
- (d) Renovation of an existing veterans' home, in whole or in part, or its associated facilities and infrastructure.

(2) The department shall issue a report quarterly regarding the progress of any project undertaken utilizing funds appropriated for veterans' homes planning to the chairs of the house and senate standing committees on appropriations, the subcommittees, and the house and senate fiscal agencies.

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State of Michigan Highway Negligence Litigation History

By Bill Bowerman, Associate Director and Michael Siracuse, Fiscal Analyst

Introduction

State payments resulting from highway negligence litigation have declined dramatically since fiscal year (FY) 1999-2000. The reduction in payments is mainly attributed to Michigan Supreme Court decisions regarding the State's governmental immunity law. This article provides an overview of highway negligence payments, and the case law that precipitated declining State payments in highway negligence cases.

History of State Payments

Table 1 provides a history of highway negligence payments made by the State from FY 1983-84 through FY 2015-16. The table shows payments resulting from both judgements and settlements.

Table 1

Highway Negligence Statistics

Fiscal Year	Number of Cases	Judgements	Settlements	Total Payments
1983-84	62	\$12,541,651	\$2,444,976	\$14,986,627
1984-85	55	4,399,001	4,128,751	8,527,752
1985-86	64	3,242,143	4,347,140	7,589,283
1986-87	69	22,699,603	4,151,959	26,851,562
1987-88	81	5,195,041	10,897,265	16,092,306
1988-89	90	2,869,944	12,151,689	15,021,633
1989-90	86	8,908,886	8,460,458	17,369,344
1990-91	83	10,043,560	10,353,328	20,396,888
1991-92	93	6,018,686	6,606,453	12,625,139
1992-93	70	11,290,468	8,968,167	20,258,635
1993-94	79	5,107,256	7,472,542	12,579,798
1994-95	47	1,871,956	8,010,456	9,882,412
1995-96	52	661,000	8,413,595	9,074,595
1996-97	50	1,331,974	9,679,852	11,011,826
1997-98	39	0	6,084,715	6,084,715
1998-99	33	0	4,721,422	4,721,422
1999-2000	34	2,875,000	9,461,500	12,336,500
2000-01	12	0	668,400	668,400
2001-02	14	0	1,222,240	1,222,240
2002-03	10	0	458,500	458,500
2003-04	12	0	1,521,200	1,521,200
2004-05	10	0	1,443,250	1,443,250
2005-06	9	0	614,000	614,000
2006-07	6	0	1,327,776	1,327,776
2007-08	4	0	246,000	246,000
2008-09	2	0	520,000	520,000
2009-10	1	0	2,500,000	2,500,000
2010-11	1	0	10,000	10,000
2011-12	2	0	679,000	679,000



Highway Negligence Statistics				
Fiscal Year	Number of			Total
	Cases	Judgements	Settlements	
2012-13	3	0	122,900	122,900
2013-14	0	0	0	0
2014-15	1	0	5,500	5,500
2015-16	<u>2</u>	<u>0</u>	<u>73,000</u>	<u>73,000</u>
Total	1,176	\$99,056,169	\$137,766,034	\$236,822,203
Source: Michigan Department of Transportation				

From FY 1983-84 through FY 2015-16, the State paid \$236.8 million resulting from 1,176 highway negligence cases. The majority of payments occurred from FY 1983-84 through FY 1999-2000, with payments during that time period totaling \$225.4 million in 1,087 cases. From FY 2000-01 through FY 2015-16, the State paid \$11.4 million resulting from 89 cases. Annual payments reached a high in FY 1986-87, with 69 payments totaling \$26.9 million. In FY 2013-14, there were no payments resulting from highway negligence claims. In the most recent reporting year, FY 2015-16, there were two cases that the State settled for \$18,000 and \$55,000, respectively. The \$18,000 settlement involved allegations that the plaintiff suffered serious injuries when he slipped and fell into a pothole on Woodward Avenue in Detroit. The \$55,000 settlement involved alleged serious injuries resulting from the plaintiff hitting a pothole while driving a motorcycle when he was entering an on-ramp to I-496. State payments in highway negligence cases are funded from the State Trunkline Fund, thereby reducing money available to maintain State roads. For more information on highway negligence cases see the Senate Fiscal Agency annual report on the Status of Lawsuits Involving the State of Michigan.¹

State Statute and Case Law

Michigan's governmental immunity law, Public Act 170 of 1964 (MCL 691.1401-691.1415), is designed to define and limit governmental liability. Under the Act, governmental agencies are immune from liability for negligence unless an exception applies. The highway exception stems from the requirement in Section 2 of the Act that governmental agencies having jurisdiction over a highway maintain the highway in "reasonable repair so that it is reasonably safe and convenient for public travel". In the early 1980s, then-Attorney General Frank Kelley stated that court interpretations of the State law on governmental liability had been "so liberal that almost any auto accident, regardless of driver error, can mean a windfall from the State".² Court decisions up to that time had expanded the statutory liability for maintenance of highways as provided in Section 2 of the governmental immunity law. Specifically, the courts had construed the statutory limitation that liability "shall extend only to the improved portion of the highway designed for vehicular travel" to include medians, shoulders, traffic signals, and signs. (See *Johnson v. State of Michigan*, 32 Mich App 37 (1971); *Detroit Bank & Trust Company v. Department of State Highways*, 55 Mich App 131 (1974); and *Van Liere v. State Highway Department*, 59 Mich App 133 (1975).)

In the case of *Salvati v. Department of State Highways*, 92 Mich App 452 (1979), the Michigan Court of Appeals stated that the posting of two reflectorized signs that read "Watch for Ice on Bridge" was not an adequate warning to motorists of the danger of preferential icing. The Court

¹ <http://www.senate.michigan.gov/sfa/Publications/Publications.html>

² "Kelley Calls Immunity Law Vague", *Lansing State Journal*, Associated Press, July 31, 1981.

stated: "The sign language 'Watch for Ice on Bridge' hardly can be said to be meaningful when it gives no instruction to motorists as to the action or precaution to be taken if there is ice on the bridge...Lastly, the message 'Watch for Ice on Bridge' seems to be incongruous advice in view of the testimony that when ice is present on the bridge deck surface it cannot be seen."

Beginning in 2000, Michigan Supreme Court decisions relating to governmental immunity and the statutory highway exception to governmental immunity reversed precedent and strictly construed the governmental immunity law. The consolidated cases of *Nawrocki v. Macomb County Road Commission* and *Evens v. Shiawassee County Road Commission*, 463 Mich 143 (2000), (referred to below as "*Nawrocki*"), overturned previous case law and narrowly construed the highway exception to governmental immunity. The Court stated that prior decisions of the Supreme Court improperly broadened the scope of the highway exception. *Nawrocki* was injured when she, as a pedestrian, stepped on cracked and broken pavement. *Evens* was seriously injured when his vehicle collided with another at an intersection that was alleged in the complaint to be negligently maintained and unsafe due to a lack of sufficient stop signs and/or traffic signals.

In applying a narrow interpretation of the highway exception and in an effort to strictly apply the common and ordinary meaning to the statutory language of the exception, the Supreme Court held that, in regard to *Nawrocki*'s claim, the absence of a vehicular accident did not bar a plaintiff's negligence claim against a governmental agency. Discussing the language contained in MCL 691.1402(1), the Court stated:

... The phrase "designed for vehicular travel" modifies the prior phrase "improved portion of the highway" and thus defines the location to which the duty of the state and county road commissions extends...Moreover, because the state and county road commissions must "repair and maintain" their respective highways and roads so that they are "reasonably safe and convenient for public travel," and because we believe "public travel" encompasses *both* vehicular and pedestrian travel, the plain language of the highway exception cannot be construed to afford protection only when a dangerous or defective condition "of the improved portion of the highway designed for vehicular travel" affects *vehicular* travel. [Emphasis in the original.]

In regards to *Evens*'s claim, the Court overruled its previous finding in *Pick v. Szymczak*, 451 Mich 607 (1996), which held that, under the highway exception, governmental agencies had a duty to provide traffic control devices and/or warning signs at points of hazard under their jurisdiction. In overturning *Pick*, the Court found that the highway exception should apply only to the traveled portion of the roadbed designed for vehicular travel; not traffic control devices such as signage and stop lights, or even obstructing vegetation. In the *Nawrocki* opinion, the Court stated:

...*Pick* resulted in a complete abrogation of this Court's duty to *narrowly* construe exceptions to the *broad* grant of immunity...[Emphasis in the original.]

Pick failed to simply apply the plain language of the highway exception and, instead, relied on judicially invented phrases nowhere found in the statutory clause, thus thrusting upon the state and county road commissions a duty not contemplated by the Legislature...Nowhere in

this language, or anywhere else in the statutory clause, do phrases such as "known points of hazard," "points of special danger," "integral parts of the highway," or "traffic sign maintenance" appear...

Unless we construe the highway exception narrowly, as mandated by *Ross v. Consumers Power Co (On Rehearing)*, 420 Mich 567, and in accordance with the language of the statutory clause, every accident and every injury, occurring on an otherwise unexceptional highway, containing no dangerous or defective conditions in the actual roadbed itself, will become the potential basis for a lawsuit against the state or county road commissions.

Although the holding regarding Nawrocki's claim expanded the highway exception to include pedestrians, the decision on both matters significantly narrowed the scope of the exception: only negligence claims involving the portion of the highway "designed for vehicular travel" have been able to survive summary disposition motions filed by the State and county road commissions since the *Nawrocki* decision.

Subsequent decisions have clarified this narrow interpretation. Under *Haliw v. City of Sterling Heights*, 464 Mich 297 (2001), governmental immunity is not compromised by a governmental agency's failure to remove ice or snow. The Supreme Court's opinion in *Hanson v. Board of County Road Commissioners of the County of Mecosta*, 465 Mich 492 (2002), followed the reasoning in *Nawrocki*, ruling that the highway exception to governmental immunity does not include a duty to design, or to correct defects arising from the original design or construction of highways. On October 11, 2002, the Michigan Court of Appeals in *Adams v. MDOT*, 253 Mich App 431, ruled that *Nawrocki* applied retroactively to pending highway negligence cases. A request for leave to appeal in that case was denied by the Michigan Supreme Court. The decision in *Adams* further reduced the State's potential liability. In *Grimes v. Dep't of Transp*, 475 Mich 72 (2006), the Michigan Supreme Court held that the improved shoulder of a highway was not designed for vehicular travel, rejecting the suggestion that the word "travel" encompassed the incremental movement that accompanies a vehicle's movement from the travel lanes onto the shoulder. Also, in *Yono v. Department of Transportation*, 499 Mich 636 (July 27, 2016), the Court determined that parallel parking spaces on M22 were not designed for vehicular travel and, likewise, were beyond the narrowing scope of the highway exception.

These opinions from the Michigan Supreme Court and Court of Appeals have provided much clarity in regard to the highway exception. As it currently stands, the exception to governmental immunity, as specified in MCL 691.1402(1), exists only between the white lines of a public roadway.

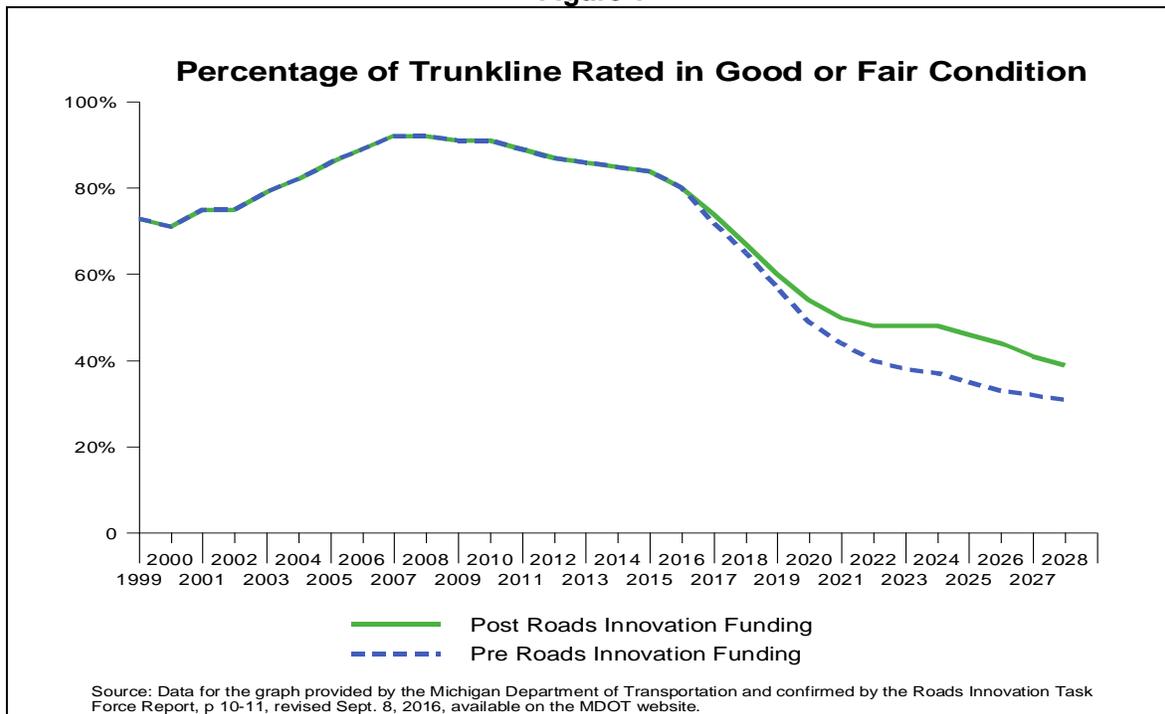
Conclusion

While court decisions have reduced State liability for highway negligence cases, there continues to be potential for liability. On December 31, 1983, there were 404 highway negligence cases pending against the State seeking damages totaling \$189,680,708. According to the Department of Attorney General, as of December 31, 2016, there were 17 highway negligence cases pending against the State seeking \$22,714,000.



The decline in State payments, however, may be reversed to some extent if roadway conditions are responsible for accidents in the future. As shown in Figure 1 below, projections indicate that trunkline road quality will deteriorate significantly in the years, and decades, to come.

Figure 1



The road conditions indicated in the graph specifically refer to the roadbed and surface condition of the trunkline system. Despite the narrow interpretations of the highway exception to governmental immunity from the judiciary since 2000, the roadbed and surface conditions still fall within the exception. If roads continue to deteriorate at the rate projected by MDOT and the Roads Innovation Task Force, one result could be an increase in injuries and plaintiffs' filings under the highway exception.

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Winter 2017



Michigan Department of Health and Human Services Flint Drinking Water Emergency Expenditures

By John Maxwell, Fiscal Analyst

Introduction

As the drinking water emergency in Genesee County and the City of Flint has unfolded, the State of Michigan has dedicated considerable resources in response to the situation. This article will summarize the investments made by the Michigan Department of Health and Human Services (DHHS) to address the needs of the residents affected by the emergency. The article will explain where funds have been allocated to lessen the impacts of potential lead exposure.

Since the beginning of calendar year 2016, the State of Michigan has appropriated \$296.4 million Gross and \$204.5 million General Fund/General Purpose (GF/GP) in response to the drinking water emergency in the City of Flint¹. To provide necessary resources and services to residents, the DHHS has received appropriations totaling \$98.4 million Gross and \$39.3 million GF/GP, approximately 33% of the total Gross appropriation and 20% of the total GF/GP appropriation from the State. The four broad categories of appropriations along with amounts are as follows:

- Physical (individual health interventions, public health, and community-based interventions): \$62.6 million Gross and \$19.6 million GF/GP (49% of the Gross total).
- Social (various social development and well-being interventions including behavioral health): \$20.4 million Gross and \$9.7 million GF/GP (24%).
- Food (direct nutrition delivery, education, and purchasing incentives): \$9.9 million Gross and \$5.3 million GF/GP (14%).
- Water (filters, bottled water, and lead testing supplies): \$6.7 million Gross and \$5.7 million GF/GP (13%).

In addition to the State appropriations, \$170.0 million was appropriated by the Federal government in December 2016 through Public Law (PL) 114-254. These federally approved appropriations will be administered through the Environmental Protection Agency and the United States Department of Health and Human Services. Please see [Table 1](#) for details of the appropriations. As of the end of December 2016, the Michigan State Budget Office had not received guidance from the Federal government as to specifics for the disposition of these funds. The funds will supplement the total that the State has appropriated for the drinking water emergency. With these funds approved in PL 144-254, the total amount of resources dedicated to the Flint drinking water emergency is \$466.4 million.

Expenditures made as of December 2016 have followed the intent of appropriations through FY 2015-16. The Flint Expenditure Tracking Report has provided the disclosure of these expenditures². As of the time of publication of this article, no FY 2016-17 expenditures were outlined in the Flint Expenditure Tracking Report. Through the end of FY 2015-16, the total appropriation was \$52.9 million Gross and \$24.0 million GF/GP. According to the Flint Expenditure Tracking

¹ The totals are derived from the amounts of \$286.4 million Gross and \$194.5 million GF/GP estimated in [Overview of State Appropriations for the Flint Drinking Water Emergency](#) plus on additional \$10.0 million reserve appropriated in Public Act 340 of 2016.

² [Flint Expenditure Tracking Report](#) (State of Michigan)



Report of these appropriated funds, \$39.3 million Gross and \$19.7 million GF/GP were spent³. Please see [Appendix I](#) for the detailed expenditures by category and the description of purchases or services. The following sections summarize the DHHS actions for the Flint drinking water emergency by category in order to provide an update to appropriations made throughout calendar year 2016.

Table 1

PL 114-254 FEDERAL APPROPRIATIONS FOR DRINKING WATER EMERGENCY - FLINT	
Federal Agency/Program Name	Federal Appropriated Amount
Environmental Protection Agency (EPA)	
State and Tribal Assistance Grants.....	\$100,000,000
Water Infrastructure and Innovation Program Account ^a	<u>20,000,000</u>
Subtotal EPA	\$120,000,000
Department of Health and Human Services	
Centers for Disease Control and Prevention (CDC&P) - Environmental Health	
Lead Exposure Registry.....	\$17,500,000
Lead Exposure Advisory Commission.....	2,500,000
Childhood Lead Poisoning Prevention Program.....	<u>15,000,000</u>
Subtotal CDC&P	\$35,000,000
Health Resources and Services Administration - Maternal & Child Health	
Healthy Start Program.....	<u>15,000,000</u>
Total	\$170,000,000
^a Up to \$3.0 million may be used for administrative expenses for the direct and guaranteed loan program.	

Appropriations by Outcome Category

Physical Category

The Physical category includes services that address the direct physical well-being of those affected by the drinking water emergency in Flint. The largest appropriated amount in the Physical category is for a Federal Section 1115 Medicaid waiver that allows children (up to age 21) and pregnant women with incomes up to 400% of the Federal poverty level to be enrolled in the Medicaid program⁴. Additionally, the waiver provided targeted case management services to eligible individuals already enrolled in the traditional and expanded Medicaid program. The targeted case management program is focused on using case workers to coordinate care among primary care providers, behavioral health providers, Medicaid health plans, and other necessary providers to allow access to necessary health services. In addition, the targeted case management will provide nutrition support and assistance with available educational and social support services. A supplemental appropriation was included in Public Act 268 of 2016 to implement the Flint Medicaid

³ References in this article to funds "spent" or "expenditures" mean actual expenditures and encumbrances.

⁴ 400% of the Federal poverty level is \$47,520 for one person or \$97,200 for a family of four.



waiver for a partial year in fiscal year (FY) 2015-16 and full-year funding was included in the FY 2016-17 budget.

Table 2 shows the components of the Public Act 268 of 2016 appropriation for the Medicaid waiver appropriations as well as total expenditures. Funding for a partial-year appropriation for FY 2015-16 was \$20.9 million Gross and \$4.5 million GF/GP. The DHHS estimated a base of 14,346 individuals who would be eligible to participate in this expansion of the Medicaid program. The DHHS had estimated that there would be a 50% enrollment rate for those individuals who qualified for expanded eligibility in the Flint Medicaid waiver and were not currently enrolled in Medicaid. The DHHS estimated 7,173 additional enrollees in the Flint Medicaid waiver. As of December 27, 2016, 2,452 individuals were enrolled in Medicaid who were not already enrollees as of May 9, 2016⁵. The participation rate is about 30% of the estimate. The lower-than-expected participation rate in the Flint Medicaid waiver and targeted case management services in both the waiver and traditional Medicaid enrollees has lowered the overall cost for FY 2015-16. The estimated expenditure for the Flint Medicaid waiver through FY 2015-16 is \$7.3 million Gross and \$1.8 million GF/GP. This includes \$300,000 Gross and \$14,600 GF/GP spent on direct care for the Flint Medicaid waiver and approximately \$30,000 Gross and \$7,800 GF/GP spent on 142 participants in the targeted case management program. Since Medicaid is an entitlement program and the targeted case management benefit is delivered through a fee-for-service model, the DHHS spends funds when bills are received. These expenditures are estimates, as final reimbursement claims have not yet been received. The partial-year costs also included \$7.0 million Gross and \$1.7 million GF/GP for information technology updates.

Table 2

Summary of State Appropriations for Medicaid Waiver for the City of Flint						
Program Category	FY 2015-16 Gross	FY 2015-16 GF/GP	FY 2016-17 Gross	FY 2016-17 GF/GP	Cumulative Total Gross	Cumulative Total GF/GP
Medicaid Client Services						
Flint Medicaid waiver & targeted case management	\$7,194,400	\$317,400	\$14,388,800	\$7,000,000	\$21,583,200	\$7,317,400
Targeted case management for traditional population	5,967,500	2,052,800	11,934,900	1,500,000	17,902,400	3,552,800
Information Technology						
CHAMPS/Bridges/Other software updates	7,000,000	1,750,000	2,627,200	565,800	9,627,200	2,315,800
State/Local Office Caseworker Costs						
13.0 FTEs	645,200	322,500	1,290,100	645,200	1,935,300	2,903,000
Additional leased workspace	55,800	27,900	111,500	55,800	167,300	251,000
Fiscal Year Totals	\$20,862,900	\$4,470,600	\$30,352,500	\$9,766,800	\$51,215,400	\$16,340,000
Note: FY 2015-16 appropriations were based on a partial-year implementation						

⁵ May 9, 2016, is the date of the DHHS implementation of the Flint Medicaid waiver.

Between the two appropriation years, a total of \$51.2 million Gross and \$16.3 million GF/GP was appropriated for the Flint Medicaid waiver with 77% directly to Medicaid coverage and targeted case management and the remaining 23% for information technology and additional caseworker costs. This expenditure is expected to continue in future fiscal years for as long as the Medicaid Section 1115 waiver is in place.

In addition to the Medicaid waiver, there are several other services funded in the Physical category. The largest non-Flint Medicaid waiver appropriation amounts in this category are for a lead abatement program to reduce primary lead exposure in Flint, with a total appropriation of \$3.8 million Gross and \$1.8 million GF/GP.

The remaining share of the Physical category includes epidemiology services, including blood lead level investigations and medical health outreach. In addition, there is a contract with Wayne State University to determine the link, if any, between the *Legionella* bacteria in Flint River water and the increased cases of Legionnaires' disease in Genesee County in 2014 and 2015. The total amount appropriated for the assessment was \$3.2 million Gross and GF/GP.

Social Category

The Social category includes services and interventions addressing social development and mental well-being for those affected by the drinking water emergency. Individuals exposed to lead can exhibit lifelong learning disabilities, lower IQ scores, and antisocial behaviors even from minimal lead exposure. Early interventions can mitigate damage due to childhood lead exposure.⁶ The Social category includes a variety of behavioral health and educational intervention programs. The majority of the funds in this category, \$11.7 million Gross and \$7.3 million GF/GP, were appropriated for Community Mental Health, behavioral health case management, and the creation of satellite behavioral health centers. Through FY 2015-16, \$13.6 million Gross and \$4.9 million GF/GP was appropriated in the Social category and \$2.1 million Gross and \$1.3 million GF/GP was spent⁷.

The Social category also includes education and an expansion of current programs such as Parents as Teachers and Pathways to Potential in Flint. The total appropriated for the educational programs was \$2.0 million Gross and \$1.9 million GF/GP.

In Public Act 268 of 2016, for fiscal year 2015-16, the administration requested and the Legislature appropriated, \$6.1 million Gross (all for Federal revenue) for a Temporary Assistance for Needy Families (TANF) reserve to meet demands from the drinking water emergency that satisfy TANF eligibility requirements. The State had spent nothing from this reserve as of December 2016 for FY 2015-16. While not yet spent, the DHHS has committed these funds to the Department of Talent and Economic Development (TED) for an expansion of the Community Ventures Initiative in Genesee County. Community Ventures is an effort aimed at providing support for local employers that hire the structurally unemployed who meet TANF eligibility guidelines, to help promote job retention and independence.

⁶ World Health Organization Lead Poisoning and Health, Fact Sheet September 2016

⁷ The Flint Expenditure Tracking Report reflects several unspent line items with obligations, but these amounts are neither encumbered nor spent, so these obligated balances are omitted.

Food Category

The next category that the State has appropriated funds toward in response to the Flint drinking water emergency is Food (nutrition assistance), with the intent that intervention with quality and nutritious food can mitigate the long-term impact of lead exposure. There is scientific research indicating that greater consumption of food with high levels of calcium, iron, and Vitamin C can assist in preventing lead from leeching into the bones of an exposed child. Through FY 2015-16, the total appropriation for the Food category was \$4.4 million Gross and \$3.4 million GF/GP, with expenditures at \$1.7 million Gross and \$1.6 million GF/GP.

The largest area of the Food category is the purchase of nutritionally rich food for children and pregnant women to supplement existing nutrition programs. Most of these types of services bring fresh produce, eggs, or dairy directly to affected individuals (either in the community or at a designated location such as a school/community center). Nutrition and exercise education are another significant portion of this category. These efforts include direct education opportunities, community notifications, and outreach to affected populations. Lastly, \$500,000 in total was included over FY 2015-16 and FY 2016-17 combined, for food safety inspection expenses for Genesee County to ensure that food handling is properly executed, with the potential for lead remaining in the water system.

Water Category

The last category for which the DHHS has received appropriations is Water. These appropriations were made through FY 2015-16 as there is not currently an appropriation in the FY 2016-17 DHHS budget for purchases or services within this category. An FY 2016-17 supplemental appropriation in either the DHHS budget or another State department is possible as a resolution to ongoing litigation, *Concerned Pastors for Social Action et al v. Khouri et al*. This dispute concerns whether the State must provide home delivery of bottled water to City of Flint residents in any household that does not have a thrice-inspected, properly installed water filter. The State has estimated this cost at \$9.0 million monthly. The total amount appropriated for the Water category was \$6.7 million Gross and \$5.7 million GF/GP. The total expenditures of \$7.5 million Gross and \$6.5 million GF/GP exceed the total appropriated amount due to work project authorization as well as expenditures from existing appropriation authorization for FY 2015-16. The bulk of the funding appropriated in this category was to provide an emergency response to the drinking water emergency by providing water filters, faucet mounts, replacement cartridges, and bottled water. There also was a \$2.5 million Gross reimbursement from the DHHS to the Disaster Emergency and Contingency Fund for the provision of resources through the DHHS at the beginning of the emergency before any supplemental funds were appropriated. The remaining expenditures in the Water category provided resources for lead testing kits and other administrative expenses of the DHHS in relation to providing staff in response to the emergency.

Conclusion

The DHHS has received nearly \$100.0 million Gross and \$40.0 million GF/GP appropriations to provide a response to the Flint drinking water emergency. The majority of this funding is dedicated to implementing the Flint Medicaid waiver delivery to a population that may have experienced the most deleterious effects of an exposure to lead. The first two supplemental appropriations, Public Act 143 of 2015 and Public Act 3 of 2016, were aimed at solving issues directly associated with the emergent issues in the short-term, such as providing water and delivering critical information to residents and local health practitioners. The appropriations in Public Act 268 of 2016 for both FY 2015-16 and FY 2016-17 were made for medium-term risk mitigation as direct aspects of the

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drinking water emergency were addressed in previous appropriations. For FY 2016-17, there is \$45.5 million Gross and \$15.2 million GF/GP dedicated to address needs in the Physical, Social, and Food categories. The \$170.0 million in Federal appropriations may be viewed as a step toward long-term solutions to the drinking water emergency with programs directed at replacing affected infrastructure, creating a lead exposure registry, and prevention of future lead exposure; however, these funds had not been awarded to the State as of December 2016.

Total DHHS Appropriations for Flint Drinking Water Emergency by Category

Appropriation Outcome Category Area/Program Description	Appropriation		Appropriation		Expenditures		Amount Remaining	
	Funding Source	Fiscal Year	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP
Physical								
Provide access to fluoride prevention services and expansion of a fluoride varnish program for children	PA 84 of 2015	2016	\$0	\$0	\$23,191	\$0	\$0	\$0
Information Technology Costs Related to Medicaid Waiver	PA 84 of 2015	2016	0	0	1,886,980	471,745	0	0
Flint Water Flush Public Education Campaign	PA 84 of 2015	2016	0	0	29,581	29,581	0	0
Environmental Blood Lead Investigations	PA 143 of 2015	2016	275,000	275,000	165,001	165,001	109,999	109,999
Epidemiologists services and Epidemiology Administration and toxicologists	PA 143 of 2015	2016	150,000	150,000	249,129	249,129	(99,129)	(99,129)
Nurse Case Management - Genesee County Health Department	PA 143 of 2015	2016	247,915	247,915	219,430	219,430	28,485	28,485
Nurse Case Management - Greater Flint Health Coalition	PA 143 of 2015	2016	177,085	177,085	134,425	134,425	42,660	42,660
Children's Healthcare Access Project (CHAP)	PA 3 of 2016	2016	200,000	200,000	315,914	315,914	(115,914)	(115,914)
Child and Adolescent Health Centers	PA 3 of 2016	2016	650,000	650,000	13,851	13,851	636,149	636,149
Lead Abatement	PA 3 of 2016	2016	1,510,000	0	739,684	0	770,316	0
Environmental Blood Lead Investigations	PA 3 of 2016	2016	90,000	0	290,000	200,000	(200,000)	(200,000)
Medical Team to Assess Linkages to Legionnaire's	PA 3 of 2016	2016	275,000	275,000	258,592	258,592	16,408	16,408
Epidemiologists services	PA 3 of 2016	2016	126,500	0	105,636	0	20,864	0
Adult Blood Lead Epidemiology and Surveillance (ABLES)	PA 3 of 2016	2016	18,500	0	18,500	0	0	0
Nurse Case Management - Greater Flint Health Coalition	PA 3 of 2016	2016	70,000	0	0	0	70,000	0
Nurse Family Partnership - Hurley Medical Center	PA 3 of 2016	2016	500,000	500,000	500,000	500,000	0	0
Medicaid coverage for children up to age 21 and pregnant women	PA 268 of 2016	2016	20,862,600	4,470,700	7,360,900	1,772,400	13,501,700	2,698,300
Contract with Wayne State University to assess linkage between Legionella and water	PA 268 of 2016	2016	2,950,000	2,950,000	2,950,000	2,950,000	0	0
Childhood lead poisoning prevention program (statewide)	PA 268 of 2016	2016	1,250,000	1,250,000	132,517	132,517	1,117,483	1,117,483
Medicaid coverage for children up to age 21 and pregnant women	PA 268 of 2016	2017	30,352,500	6,098,100	0	0	30,352,500	6,098,100
Adult Blood Lead Epidemiology and Surveillance (ABLES)	PA 268 of 2016	2017	44,400	44,400	0	0	44,400	44,400
Child/Adolescent health centers	PA 268 of 2016	2017	472,500	472,500	0	0	472,500	472,500
Lead programming for children/homes/outreach	PA 268 of 2016	2017	1,304,800	831,000	0	0	1,304,800	831,000
Epidemiologists services	PA 268 of 2016	2017	212,000	212,000	0	0	212,000	212,000
Nurse case management and public health assessments	PA 268 of 2016	2017	471,300	471,300	0	0	471,300	471,300
Children's Healthcare Access Project (CHAP)	PA 268 of 2016	2017	375,000	375,000	0	0	375,000	375,000
Total Physical Category			\$62,585,100	\$19,650,000	\$15,393,331	\$7,412,585	\$49,131,521	\$12,738,741
Social								
Temporary Staff to Support Foster Care and Child Protective Services Programs	PA 84 of 2015	2016	\$0	\$0	\$8,550	\$3,591	\$0	\$0
Design test, produce, place, and conduct advertising and tracking surveys	PA 84 of 2015	2016	0	0	189,982	42,591	0	0
Low Income Home Emergency Assistance Program	PA 84 of 2015	2016	0	0	500,000	0	0	0
Flint Water - Genesee Community Mental Health	PA 84 of 2015	2016	0	0	85,000	0	0	0
Lump Sum Payment to Private Child welfare agencies	PA 84 of 2015	2016	0	0	321,000	321,000	0	0
211 Outreach Efforts	PA 84 of 2015	2016	0	0	10,000	10,000	0	0
Pathways to Potential Expansion	PA 3 of 2016	2016	720,000	720,000	217,945	217,945	502,055	502,055
Crisis Counseling - Genesee Health System	PA 3 of 2016	2016	500,000	500,000	500,000	500,000	0	0
Case Management, Care Coordination, Crisis Services, Behavioral Health and Developmental Services	PA 3 of 2016	2016	3,290,000	755,000	0	0	3,290,000	755,000
Michigan Child Care Collaborative (MC3) - University of Michigan	PA 3 of 2016	2016	200,000	200,000	253,257	253,257	(53,257)	(53,257)
Community Mental Health services	PA 268 of 2016	2016	1,490,000	1,490,000	0	0	1,490,000	1,490,000
Parents as Teachers evidence-based home visiting program - Genesee County ISD	PA 268 of 2016	2016	260,000	260,000	0	0	260,000	260,000
Reserve federal TANF future needs for Flint families and children	PA 268 of 2016	2016	6,100,000	0	0	0	6,100,000	0
Child and adolescent health center funding	PA 268 of 2016	2016	500,000	500,000	0	0	500,000	500,000
Interpretation services for deaf, hard of hearing, and bilingual support	PA 268 of 2016	2016	500,000	500,000	128	128	499,872	499,872
Community Education with Genesee County Health Department	PA 268 of 2016	2017	120,000	120,000	0	0	120,000	120,000
Community Mental Health services	PA 268 of 2016	2017	6,135,000	4,245,600	0	0	6,135,000	4,245,600
Parents as Teachers evidence-based home visiting program - Genesee County ISD	PA 268 of 2016	2017	260,000	260,000	0	0	260,000	260,000
Pathways to Potential Expansion	PA 268 of 2016	2017	300,000	147,000	0	0	300,000	147,000
Total Social Category			\$20,375,000	\$9,697,600	\$2,085,862	\$1,348,512	\$19,403,670	\$8,726,270

Total DHHS Appropriations for Flint Drinking Water Emergency by Category

Appropriation Outcome Category Area/Program Description	Appropriation		Appropriation		Expenditures		Amount Remaining	
	Funding Source	Fiscal Year	Gross	GF/GP	Gross	GF/GP	Gross	GF/GP
Food								
Diet Education and Exercise - YMCA	PA 84 of 2015	2016	\$0	\$0	\$55,000	\$55,000	\$0	\$0
Genesee County food safety inspections	PA 3 of 2016	2016	200,000	200,000	200,000	200,000	0	0
Nutrition Education - Genesee County Health Department	PA 3 of 2016	2016	120,000	0	67,509	0	52,491	0
Food Bank Resources - Food Bank of Michigan	PA 3 of 2016	2016	1,037,200	1,037,200	1,037,200	1,037,200	0	0
Nutritional Education - Michigan Department of Education	PA 3 of 2016	2016	872,000	0	0	0	872,000	0
Lactation Consultant - Genesee County Health Department	PA 3 of 2016	2016	85,000	30,000	6,509	6,509	78,491	23,491
Double Up Food Bucks Flint Expansion Project - Department of Agriculture & Rural Development	PA 3 of 2016	2016	380,000	380,000	380,000	380,000	0	0
Mobile Food Bank and additional food bank resources	PA 268 of 2016	2016	440,000	440,000	0	0	440,000	440,000
Nutrition Programs	PA 268 of 2016	2016	1,300,000	1,300,000	0	0	1,300,000	1,300,000
Nutrition Assistance for Children of Flint	PA 268 of 2016	2017	3,500,000	0	0	0	3,500,000	0
Mobile Food Bank, additional food bank resources and food safety inspections	PA 268 of 2016	2017	1,006,000	1,006,000	0	0	1,006,000	1,006,000
Nutrition Services 5-10 year olds	PA 268 of 2016	2017	257,100	229,400	0	0	257,100	229,400
Double Up Food Bucks Flint Expansion Project	PA 268 of 2016	2017	380,000	380,000	0	0	380,000	380,000
Genesee County food safety inspections	PA 268 of 2016	2017	300,000	300,000	0	0	300,000	300,000
Total Food Category			\$9,877,300	\$5,302,600	\$1,746,218	\$1,678,709	\$8,186,082	\$3,678,891
Water								
Purchase water resources	AY15 Work Project	2015	\$0	\$0	\$1,137,055	\$1,137,055	\$0	\$0
Agency/SEOC support costs	PA 84 of 2015	2016	0	0	25,772	20,640	0	0
Lead Testing Kits	PA 84 of 2015	2016	0	0	0	0	0	0
DCDS Time Tracking	PA 84 of 2015	2016	0	0	796,498	796,498	0	0
Purchase water resources	PA 143 of 2015	2016	1,000,000	0	1,000,000	0	0	0
Purchase water resources	PA 3 of 2016	2016	4,612,800	4,612,800	4,612,800	4,612,800	0	0
Reimbursement to Disaster Emergency and Contingency Fund	Reimbursement	2016	0	0	(2,487,747)	0	0	0
Total Water Category			\$5,612,800	\$4,612,800	\$5,084,378	\$6,566,993	\$0	\$0
Grand Total			\$98,450,200	\$39,263,000	\$24,309,789	\$17,006,799	\$76,721,273	\$25,143,902