

**SENATE FISCAL AGENCY  
 MEMORANDUM**

**DATE:** July 21, 2006  
**TO:** Members of the Senate  
**FROM:** Gary S. Olson, Director  
**RE:** FY 2005-06 Supplemental Appropriations Included in Article 19 of Omnibus Appropriation Bill

The budget target agreement, reached on June 29, 2006w, between the Governor and the Republican and Democratic leadership of the House of Representatives and the Senate, included the funding of a series of supplemental appropriation items for fiscal year (FY) 2005-06. These supplemental appropriation items are included in Article 19 of House Bill 5796 (H-2) CR-1\*. This is the appropriation bill that contains FY 2006-07 appropriations for numerous State departments in addition to these FY 2005-06 supplemental appropriation items.

The negotiated supplemental appropriation bill contains \$240.1 million of Gross appropriations. These Gross appropriations are funded from \$158.1 million of Federal funds, \$6.5 million of local funds, \$0.5 million of private funds, \$22.3 million of State restricted funds, and \$52.8 million of General Fund/General Purpose (GF/GP) funds. The supplemental appropriations fall into several broad categories. These include additional appropriations in the Departments of Community Health, Corrections, Human Services, Military and Veterans Affairs, and State Police to cover projected funding shortfalls, the appropriation of additional unanticipated Federal and State Restricted funds in several budgets, appropriation adjustments to offset revenue shortfalls of tobacco settlement funds, final construction authorization for five construction projects funded through the State Building Authority, and funding to cover a revenue shortfall in the Department of State.

Table 1 provides a summary of the line-item supplemental appropriations contained in House Bill 5796 (H-2) CR-1\*. Table 2 provides a summary of the boilerplate language associated with the line-item appropriations in House Bill 5796 (H-2) CR-1\*.

/kjh

c: Ellen Jeffries, Deputy Director

**Table 1**

<b>FY 2005-06 Supplemental (Target Agreement) House Bill 5796 (H-2) CR-1*</b>		
	<b>Conference Report</b>	
	<b>Gross</b>	<b>GF/GP</b>
<b>Capital Outlay</b>		
Central Michigan University (SBA Construction Authorization)	\$100	\$100
University of Michigan-Flint (SBA Construction Authorization)	100	100
University of Michigan-Ann Arbor (SBA Construction Authorization)	100	100
Wayne State University (SBA Construction Authorization)	100	100
Corrections (SBA Construction Authorization)	100	100
Subtotal Capital Outlay	500	500
<b>Community Health</b>		
Medicaid (Hospital QAAP Adjustment)	116,400,000	0
Medicaid (Consensus Caseload Estimates)	33,937,000	1,321,800
Medicaid (Tobacco Settlement Fund Shift to GF/GP)	0	20,582,000
Respite Care (Tobacco Settlement Fund Shift to GF/GP)	0	5,000,000
Dental Clinic Funding (Federal and Local Funding)	9,821,400	0
Family Planning Waiver (Implements Federal Waiver)	957,800	478,900
Subtotal Community Health	161,116,200	27,382,700
<b>Corrections</b>		
Various Funding Shortfalls in Prison System	10,000,000	10,000,000
Subtotal Corrections	10,000,000	10,000,000
<b>Education</b>		
Funding for Court Decision	195,800	0
Subtotal Education	195,800	0
<b>Environmental Quality</b>		
River, Stream and Creek Cleanup	50,000	0
Land and Water Management (Fund Source Shift)	0	0
Environmental Science and Services (Fund Source Shift)	0	0
Subtotal Environmental Quality	50,000	0
<b>Human Services</b>		
Consensus Caseload Funding Adjustments	11,300,000	11,300,000
Food Assistance Program (Federal Funding)	35,000,000	0
Low Income Energy Assistance (Federal Funding)	17,000,000	0
Family Planning Waiver (Implements Federal Waiver)	381,800	190,900
Juvenile Justice Services	2,600,000	0
Subtotal Human Services	66,281,800	11,490,900
<b>Legislature</b>		
Legislative Council (Remove Prison Study Funding)	(500,000)	(500,000)
Subtotal Legislature	(500,000)	(500,000)
<b>Military and Veterans Affairs</b>		
Grand Rapids Veterans Home (Funding Shortfall)	1,325,600	1,900,000
D.J. Jacobetti Veterans Home (Federal Funding)	435,000	0
Subtotal Military and Veterans Affairs	1,760,600	1,900,000
<b>Natural Resources</b>		
Forest Fire Protection (Restricted Funding)	400,000	0
Forest and Timber Treatments (Restricted Funding)	200,000	0
Subtotal Natural Resources	600,000	0

<b>FY 2005-06 Supplemental (Target Agreement) House Bill 5796 (H-2) CR-1*</b>		
	<b>Conference Report</b>	
	<b>Gross</b>	<b>GF/GP</b>
<b>State</b>		
Transportation Fund Revenue Shortfall	0	6,500,000
Election Regulation (Federal Funding)	500,000	0
Subtotal State	500,000	6,500,000
<b>State Police</b>		
Fund Source Shift (Shift from GF/GP to Restricted)	0	(6,000,000)
Uniform Services Funding Shortfall	0	1,900,000
Subtotal State Police	0	(4,100,000)
<b>Treasury</b>		
Strategic Fund (Promotion for Detroit Zoo)	100,000	100,000
Subtotal Treasury	100,000	100,000
<b>Total Line-Item Appropriations</b>	<b>\$240,104,900</b>	<b>\$52,774,100</b>

**Table 2**

<b>FY 2005-06 Supplemental Appropriation Bill House Bill 5796 (H-2) CR-1*</b>	
<b>Boilerplate Language Summary</b>	<b>Conference Report</b>
<b>Department/Section</b>	
<b>General Sections</b>	
Sec. 201. Reporting language regarding total State appropriations and payments to units of local government in the bill.	Included
Sec. 202. Subjects the appropriations in the bill to provisions in the Management and Budget Act.	Included
<b>Capital Outlay</b>	
Sec. 205. Provides that the authorization for the University of Michigan-Ann Arbor Phoenix Laboratory project shall not be allocated unless the Joint Capital Outlay Subcommittee approves the project.	Included
<b>Department of State</b>	
Sec. 301. Provides for work project status for the appropriation of Federal funds for assisting persons with disabilities in voting.	Included
<b>Department of State Police</b>	
Sec. 401. Appropriates \$6.0 million of revenue from the State Services Fee Fund to the Traffic Law Enforcement and Safety Fund.	Included
<b>Treasury</b>	
Sec. 501. Provides for work project status for the appropriation for the promotion of the Detroit Zoo.	Included
<b>Repealer</b>	
Sec. 1001. Repeals existing language in the Legislative budget regarding the appropriation of \$500,000 for a study of prisons. This repeal is consistent with the negative line-item appropriation in the Legislature.	Included