

State Notes

TOPICS OF LEGISLATIVE INTEREST

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No New Categoricals: An Analysis of the Recent Past for State K-12 Funding and the Decline in Categorical Funding

By Kathryn Summers-Coty, Fiscal Analyst

State funding of the K-12 education budget accounts for roughly 42.8% of the entire State budget, defined as State Spending from State Resources¹⁾. For fiscal year (FY) 2004-05, total State funding in the School Aid Act is nearly \$11.2 billion. While this is a large figure, total funding actually has fallen since FY 2002-03, when the appropriation was slightly more than \$11.3 billion. In fact, during the last three fiscal years, total State funding has fallen by about \$161.4 million, the foundation allowance has remained flat at \$6,700, and nonobligation categorical funding (i.e., spending that is not discretionary and not required by law) has declined by roughly \$214.2 million. Examining categorical and foundation allowance funding, and further observing funding obligations such as Special Education, yields an insight that K-12 funding is struggling to return to a more prosperous time.

Categorical and Foundation Allowance Funding

One aspect of Proposal A, the major K-12 funding change adopted by voters in 1994, was the elimination of many categoricals, often by rolling them into base funding for schools, thereby eliminating any restrictions on the use of the funds. Categoricals are allocations that have specific purposes, such as Adult Education or Math and Science Center funding. All of the pre-Proposal A categoricals that remained as categoricals after the approval of Proposal A are, in fact, still funded today, and include At-Risk, Special Education, Vocational Education, Intermediate School District (ISD) Operational Funding, and Adult Education, among others. Over the past five years, funding for these items (excluding Special Education, which is discussed below) has declined nearly 15%, with major declines in Adult Education (falling from an FY 2000-01 appropriation of \$80.0 million to \$20.0 million in FY 2004-05), Math and Science Centers (\$9.7 million to \$2.5 million), Gifted and Talented (\$6.0 million to \$250,000), and ISD Operations (\$87.8 million to \$77.7 million). The only categorical to see a substantial increase is the At-Risk program, which grew by \$10.2 million over the past five years.

Nevertheless, nearly all of the categoricals added in the years after Proposal A have since been eliminated due to lack of State funding. Notable eliminations include Career Preparation (begun in 1998-99 at \$21.9 million), Reading Programs (which began in 1999-2000 at \$60.3 million and lasted for one more year), Parental Involvement and Education Programs (about \$45.0 million for each of two years, beginning in 2000-01), and the Partnership for Adult Learning (\$20.0 million for each of three years, beginning in 2000-01). All told, the number of categoricals funded after Proposal A and subsequently eliminated totals 21. Two programs were originally funded as categoricals and later rolled into base funding: Small Class Size grants and the Reform Board grant to Detroit Public Schools (due to expire after this year unless a change is made).

¹⁾ State spending from State Resources refers to Adjusted Gross appropriations (gross appropriations less interdepartmental grants received) minus Federal, local, and private funds.



The only categoricals added after Proposal A was adopted that remain funded today include the following, with their FY 2004-05 appropriations noted: Bus Driver Safety Education (about \$1.6 million), Renaissance Zone Reimbursements (\$36.2 million), *Durant*²⁾ non-Plaintiff appropriations for debt service and cash payments (about \$32.1 million), School Lunch (nearly \$21.1 million), Interagency Early Childhood Grants (\$250,000), Center for Educational Performance and Information (CEPI) (\$1.5 million), Michigan Virtual High School (\$750,000), School Bond Loan Fund debt service payments (\$41.1 million), ISD Early Childhood (more than \$3.3 million), and Freedom to Learn (\$3.7 million).

Taking a different look at categorical funding by breaking it into two categories, items that are obligations of the State and items that are not, yields one more statistic. First, though, a definition of "State obligations" is required. The State is constitutionally required to fund various aspects of Special Education. This analysis combines all Special Education funding into the "obligation" category, though certain pieces, such as Special Education Millage Equalization, are not required by law or court order. Other obligations include Renaissance Zones, School Bond Loan Fund debt service, School Lunch, and *Durant* cash and bonding payments. State appropriations for these categorical obligations have increased by \$203.4 million or 24.4% from FY 2000-01 through FY 2004-05. The change in the total amount of funding for all categoricals (excluding foundation allowance funding) from FY 2000-01 to FY 2004-05, including obligations, is a decline of more than \$132.7 million, or 7.7%. When obligations are excluded, however, the decline is slightly more than \$336 million, or 38.0%. This statistic shows that funding for obligations has increased substantially, but at the expense of discretionary programming.

Over the past five years, the basic foundation allowance has grown from \$6,000 per pupil to \$6,700 per pupil, or about 11.7%. This is the minimum amount of funding a school district receives for each pupil in membership. Over the past two years, the K-12 budget has experienced proration, or a reduction in funding to districts due to a lack of revenue. For both years, the proration has worked out to a per-pupil reduction of \$74. Although the foundation allowance was not legally, or statutorily, reduced, the effect of the proration was to eliminate \$74 per pupil from each district's overall funding. In FY 2002-03, this was accomplished by reducing all nonobligation funding by over 3%; in FY 2003-04, districts' total funding was simply reduced by \$74 per pupil, leaving up to districts how to achieve that reduction in their local budgets. Total State funding of the foundation allowance has risen commensurately with the increase in the per-pupil funding, from just over \$9.0 billion in FY 2000-01 to almost \$9.6 billion in FY 2004-05, or an increase of 6.37%. Table 1 illustrates the five-year funding changes in the foundation allowance, obligations, and discretionary programs.

The combination of the increase in State funding of the foundation allowance and the increased funding of obligation categoricals has driven the increase in total K-12 funding over

²⁾ *Durant* refers to litigation brought by school districts against the State, involving the State's alleged failure to fund Special education and other programs at constitutionally mandated levels. The action was first brought in 1980 and led to a series of lawsuits, continuing to the present.



the past five years, to the tune of approximately \$441.6 million, or 4.11%. However, over the last three years, when the basic foundation allowance remained flat, total K-12 State funding actually has declined by the \$161.4 million mentioned above, which translates to a 1.4% reduction. During this time, the only increases seen in the K-12 budget were found in the obligation categories such as Special Education, Renaissance Zones, and Debt Service.

These increases totaled \$106.2 million. Decreases (or eliminations) in nonobligation programs (e.g., Adult Education, Career Preparation, and Partnership for Adult Learning) totaled \$118.4 million, and State foundation allowance funding declined by about \$149.2 million over the last three years.

Table 1

Five-Year Change in Foundation Allowance, Obligations, and Discretionary Funding				
	FY 2000-01	FY 2004-05	Dollar Change	Percent Change
Foundation Allowance	\$9,015,000,000	\$9,589,277,800	\$574,277,800	6.37%
Obligations	832,853,600	1,036,219,100	203,365,500	24.42%
Discretionary (Other Categoricals)	884,431,400	548,403,100	(336,028,300)	(37.99%)
Total	\$10,732,285,000	\$11,173,900,000	\$441,615,000	4.11%

Today's K-12 Budget

Ten years after Proposal A, today's K-12 budget looks surprisingly similar, in terms of the number of categoricals, to the budget in the first year of Proposal A's implementation. The decline in State revenue in the recent past has led to the elimination of many programs implemented after FY 1994-95 and to the funding reduction of several programs that existed before Proposal A. While the foundation allowance has grown substantially since FY 1994-95 (when the minimum amount of funding was \$4,200 per pupil and the basic was \$5,000) to a time when the least amount each district receives is \$6,700 per pupil, the recent past ranges from stagnant to slightly declining in terms total funding, and discretionary categoricals have been whittled down to the bare bones. The previously seen large growth in K-12 funding in terms of increasing foundation allowances and new programming has been replaced with a focus on preserving per-pupil operational funding. Certainly, future growth will depend on the condition of the State's economy.

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Fire Protection Grant Funding Update **By Maria Tyszkiewicz, Fiscal Analyst**

This article is a follow-up to an article published in the November/December 2003 State Notes issue. The information provides an update on the FY 2004-05 appropriation for fire protection grants and a description of the newly created fund source options for this program.

The Fire Protection Grant program, created pursuant to Public Act 289 of 1977, provides payments to local units of government in lieu of property taxes for fire protection of state-owned buildings. Since the creation of the program, funding had remained fairly stable at \$4.0 million until fiscal year (FY) 1989-90, when it was increased to \$6,375,000. The appropriation remained at this level until FY 1997-98, at which point incremental increases were provided, until the program was funded at \$7,421,000 in FY 2000-01. In FY 2002-03, the program received a 50% reduction and has remained at this reduced level of \$3,710,500. The fund source for this program is Liquor Purchase Revolving Fund (LPRF) revenue. Using LPRF funds is essentially the same as using General Fund dollars, as the balance in the LPRF is deposited into the General Fund at the end of every fiscal year; therefore, any appropriation made out of the LPRF reduces that deposit.

Due to the restrictive budgetary times in this State over the last four years, there has been much debate over finding alternative funding sources for this program. To help achieve that goal, in FY 2003-04 the Driver Responsibility legislation, Public Act 165 of 2003, created the Fire Protection Fund, which may provide additional revenue. The legislation created new fines for various violations of the Michigan Vehicle Code for two consecutive years. The majority of this fine revenue is deposited into the General Fund, but two deposits may be made into the Fire Protection Fund if revenue reaches two different thresholds. The first deposit into the Fund will be made available from the first \$3.5 million after the revenue reaches \$65.0 million, and the second deposit will be made available from the first \$5.0 million after the fee revenue reaches \$100.0 million.

For FY 2004-05 the estimated revenue that will be available from the Driver Responsibility fines is \$71.0 million, based on the May 2004 Consensus Revenue Conference. This estimate exceeds the amount necessary to make a deposit of \$3.5 million into the Fire Protection Fund. This revenue added to the existing \$3.7 million of LPRF funds brings the total appropriation for FY 2004-05 to \$7.2 million. It will not be known, however, until the end of the fiscal year, whether the \$3.5 million will be available. If the revenue estimates relating to the Driver Responsibility fines are too high, then the amount of revenue that will be allocated will depend on the amount collected above the \$65.0 million. Because of this uncertainty, the distribution of these funds will be done in two stages, with the \$3.7 million of LPRF funds being allocated in December consistent with the governing statute, and the second \$3.5 million being allocated at the end of the fiscal year, when collections are completed and actual revenue amounts are known. Should the estimates exceed the second threshold necessary for the \$5.0 million deposit, then a supplemental appropriation will be required to appropriate those funds in FY 2004-05.

There is another possible one-time revenue stream that has been included in the budget for the Department of Labor and Economic Growth. A new boilerplate section appropriates an additional \$3.7 million, on the condition that House Bill 5313 is enacted and the revenue estimates included in that bill exceed \$18.0 million. The bill, which became Public Act 377 of 2004, allows municipalities, including school districts, to sell forest land that was previously conveyed to them

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by the Department of Natural Resources. One half of the proceeds from the sale of this land will go to the municipalities and the other half will be deposited into the State General Fund. This appropriation for fire protection grants will be made only if the total amount of the sale of the land exceeds \$36.0 million.

Table 1 lists the grant recipients under the appropriation amount for FY 2003-04 and an estimated allocation if the revenue threshold under the Driver Responsibility legislation is met and the full \$3.5 million is available for distribution. This estimate does not take into consideration any other changes to the formula amounts for these local communities, including changes to the State equalized valuation (SEV) of property from the previous year, which could affect the original allocation.

Table 1
FIRE PROTECTION GRANTS
COMPARISON OF FY 2003-04 ACTUAL PAYMENTS
TO ESTIMATED FY 2004-05 PAYMENTS

	FY 2003-04		FY 2004-05 Estimated Allocation
	Formula Amount	Actual Payment	
Township of Adams.....	\$ 732.12	\$ 0.00	\$ 0.00
City of Adrian.....	41,472.92	9,979.85	19,387.03
Township of Allendale.....	66,357.26	15,967.91	31,019.52
City of Alpena.....	20,583.62	4,953.15	9,622.07
City of Ann Arbor.....	1,602,993.19	395,737.02	749,338.94
Township of Ann Arbor.....	36,114.85	8,690.51	16,882.33
City of Auburn Hills.....	78,057.99	18,783.52	36,489.17
Village of Baraga.....	12,604.33	3,033.05	5,892.05
Township of Beaver Creek.....	5,644.47	1,358.26	2,638.58
Township of Benton.....	31,338.59	7,541.18	14,649.61
Township of Bethany.....	7,625.85	1,835.05	3,564.61
City of Big Rapids.....	347,259.72	83,563.01	162,330.84
Township of Blackman.....	320,291.91	77,073.59	149,724.41
Township of Bloomer.....	4,605.43	1,108.23	2,152.86
Township of Chocolay.....	718.12	0.00	0.00
Township of Coldwater.....	17,230.80	4,146.34	8,054.75
City of Dearborn.....	130,659.84	31,441.39	61,078.55
City of Detroit.....	4,235,669.11	1,019,252.21	1,980,015.77
City of East Lansing.....	1,920,897.07	462,235.96	897,947.03
City of Escanaba.....	47,139.22	11,343.37	22,035.81
Township of Fife Lake.....	2,091.77	503.35	977.82
City of Flint.....	520,100.49	125,154.62	243,127.39
Township of Freesoil.....	633.82	0.00	0.00
Township of Garden.....	805.95	0.00	0.00
City of Grand Rapids.....	295,162.29	71,026.52	137,977.25
Township of Grant.....	2,191.52	527.36	1,024.46
Township of Grayling.....	1,991.86	0.00	931.12
Township of Green Oak.....	6,973.40	1,678.05	3,259.80

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Table 1 (continued)

FIRE PROTECTION GRANTS COMPARISON OF FY 2003-04 ACTUAL PAYMENTS TO ESTIMATED FY 2004-05 PAYMENTS			
	FY 2003-04		FY 2004-05 Estimated Allocation
	Formula Amount	Actual Payment	
Township of Higgins.....	1,421.52	0.00	664.51
City of Houghton	44,197.51	10,635.49	20,660.68
Township of Indianfields	3,276.12	788.35	1,531.47
City of Ionia	563,265.83	135,541.74	263,305.56
Township of Iron River	721.78	0.00	0.00
Township of Ironwood.....	696.83	0.00	0.00
City of Kalamazoo	1,339,823.34	322,409.01	626,316.94
Township of Kinross.....	19,711.02	4,743.17	9,214.16
Township of Kochville	26,555.09	6,390.10	12,413.51
Township of L'Anse.....	515.50	0.00	0.00
City of Lansing	1,449,046.54	348,691.99	677,374.68
City of Lapeer.....	26,617.21	6,405.04	12,442.54
Township of Lenox.....	9,684.61	2,330.46	4,527.19
Township of Lyndon.....	2,315.48	557.19	1,082.40
Township of Madison	17,965.02	4,323.02	8,397.97
Township of Manistee	4,814.19	1,158.46	2,250.45
City of Manistique.....	13,496.43	3,247.72	6,309.07
Township of Marenisco	4,438.52	1,068.07	2,074.84
City of Marquette.....	322,708.66	77,655.15	150,854.15
Township of Meridian.....	39,985.59	9,621.95	18,691.75
City of Mount Pleasant.....	490,078.30	117,930.22	229,093.15
Township of Munising	6,208.10	1,493.89	2,902.05
Township of Munro.....	665.28	0.00	0.00
City of Muskegon	191,016.50	45,965.34	89,293.02
Township of Northville.....	37,664.20	9,063.34	17,606.60
Township of Osceola.....	758.94	0.00	0.00
Township of Pentland.....	15,383.37	3,701.79	7,191.15
Township of Pittsfield.....	30,473.61	7,333.03	14,245.26
Township of Praiseville.....	3,186.27	766.73	1,489.47
Township of Roscommon	1,769.72	0.00	827.28
Township of Ross.....	2,367.33	569.66	1,106.64
City of Sault Ste. Marie	256,659.60	61,761.40	119,978.70
Township of Slagle.....	821.90	0.00	0.00
City of St. Louis	32,258.99	7,762.66	15,079.86
City of Standish.....	6,326.91	1,522.48	2,957.59
City of Stephenson.....	545.55	0.00	0.00
Township of Tittabawassee	3,603.16	867.05	1,684.34
Township of Windsor.....	66,904.96	16,099.71	31,275.54
Township of York	10,550.29	2,538.77	4,931.86
City of Ypsilanti	625,940.60	150,623.51	292,603.66
TOTAL PAYMENTS	\$15,432,387.89	\$3,710,500.00	\$7,210,500.00

Source: Department of Labor and Economic Growth

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Healthy Michigan Fund Appropriations, FY 1993-94 Through FY 2004-05 **By Steve Angelotti, Fiscal Analyst**

The Healthy Michigan Fund (HMF) was established after the voters approved Proposal A, the March 1994 school finance reform constitutional amendment. Article IX, Section 36 of the Michigan Constitution reads, "six percent of the proceeds of the tax on tobacco products shall be dedicated to improving the quality of health care of the residents of this state". Legislation increasing the tobacco tax to 75 cents per pack of cigarettes, tie-barred to passage of Proposal A, took effect on May 1, 1994.

Public Act 121 of 1995 created the Healthy Michigan Fund within the Public Health Code to receive the proceeds under Article IX, Section 36 (MCL 333.5933). The Act states that money in the Healthy Michigan Fund "shall be used to improve the health of the citizens of this state" (MCL 333.5955).

Due to the May 1, 1994, effective date of the tobacco tax increase, the increase generated partial-year funding in fiscal year (FY) 1993-94 for Article IX, Section 36 purposes. In subsequent years, the Healthy Michigan Fund has received revenue over the full fiscal year. Language in the statute directs that unused revenue not lapse to the General Fund, which has led to a considerable amount of carry-forward HMF revenue.

Consumption of cigarettes and other tobacco products sold in Michigan has slowly declined over the past few decades. This rate of decline accelerated after 1994, in part due to an increase in cigarette smuggling after the tax increase. Under Public Act 187 of 1997, tobacco products sold in the State must have a stamp to help prevent smuggling. This requirement, effective September 1, 1998, led to an increase in tobacco tax revenue of nearly 9%. The long-term decline, however, has continued.

Full-year Healthy Michigan Fund revenue was in the range of \$35 million to \$40 million from FY 1994-95 to FY 2001-02. Total HMF appropriations in those years were less than the available tax and carry-forward revenue, due to concern about the slow decline in tobacco tax collections. By keeping a cushion available, the Department of Public Health (DPH) and (after FY 1995-96) the Department of Community Health (DCH) budget conference committees, which allocated the HMF funding, were able to avoid having to make reductions to programs.

In FY 2000-01 the decision was made to spend the carry-forward revenue, which led to the largest amount yet appropriated for HMF programming: over \$45.0 million.

Two events that occurred during 2002 had a significant impact on the Healthy Michigan Fund: State General Fund/General Purpose (GF/GP) revenue dropped, precipitating a fiscal crisis that has lasted to the present, and the tobacco tax was increased, leading to more revenue for the Healthy Michigan Fund.

The revenue drop led to major reductions in HMF program spending. By reducing spending on HMF projects, then using the freed-up revenue to support the Medicaid program, the State could save GF/GP funds and help reduce its deficit. The Healthy Michigan Fund



constitutional and statutory language directs that the Fund be spent to improve the health of Michigan residents, but the use of this revenue to support Medicaid fits within that parameter.

These reductions in HMF budget lines first were made through the Executive Order and budgetary savings reductions during FY 2001-02. A second, even larger set of reductions was made in the FY 2002-03 budget. In each year some of the HMF programs that were reduced received increases in GF/GP revenue, so the programs themselves, while seeing less HMF funding, were not reduced nearly as much as it would seem. For instance, the Pregnancy Prevention program's HMF funding was reduced from \$4,350,000 in FY 2000-01 to \$0 in FY 2002-03. The DCH conferees did include \$3,000,000 in GF/GP funding for the program in FY 2002-03, so the reduction in total funding available was \$1,350,000, not the full \$4,350,000.

On August 1, 2002, the tobacco products tax was increased from \$0.75 per pack of cigarettes to \$1.25 per pack. This increased baseline HMF funding by over \$20 million, to roughly \$55 million in FY 2002-03 and FY 2003-04. Only about \$18.1 million of this funding in FY 2003-04 was appropriated for HMF programs; the rest went to support the Medicaid base.

The appropriated funding for FY 2004-05 is \$43.4 million, of which just under \$30.5 million has been appropriated for programs, including several new initiatives. The ostensible reduction in HMF appropriations, in spite of another increase in the tobacco tax from \$1.25 per pack to \$2.00 per pack on July 31, 2004, is a bit of an illusion. Nearly all of the tobacco tax increase has been dedicated, by statute, to support the Medicaid program, so one can still argue that 6% of the tobacco tax is being used pursuant to its original designated purpose.

Table 1 at the end of this article displays the 12-year HMF funding history of the 74 programs that have received HMF funding over the years. As one may see from the table, more than \$476 million has been appropriated from the Healthy Michigan Fund over the 12-year period. Of that amount, almost \$103 million has gone to support the Medicaid program while over \$373 million (78.4%) has gone to HMF programming.

The programs receiving the largest amount of HMF funding over the years are Smoking Prevention (\$48,956,300, over 10% of total HMF funding), Pregnancy Prevention (\$45,616,600), and Cancer Prevention (\$44,625,300). Other programs that have received large amounts of HMF funding include Mental Health Respite Care (\$24,000,000), Immunization (\$20,212,000), Diabetes (\$18,966,500), general Chronic Disease programs (\$16,857,400), and Violence Prevention (\$16,271,500).

While classifying programs as "prevention" programs is, in part, an exercise in semantics, it is clear that the majority of Healthy Michigan funding has gone to prevention efforts, as about 70% of all HMF programming (non-Medicaid) dollars have gone to programs generally regarded as preventive in nature. In FY 2003-04 and FY 2004-05, this percentage approaches 80% of HMF programming dollars, so the amount has been increasing in recent years.

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In the early years of the Healthy Michigan Fund, HMF revenue was used only once or twice for certain programs, such as Medicaid Substance Abuse Services, Children's Special Health Care Services, and Infant Support Services. This tendency has changed, though there have been a number of one-time or two-time HMF programs funded over the years.

Other programs began receiving funding fairly early in the history of the Fund and continued to receive funding in most of the subsequent years. These include teen centers, cancer prevention, dental programs, diabetes, immunizations, the Michigan essential health provider program, physical fitness, poison control, pregnancy prevention, mental health respite care, smoking prevention, tobacco tax enforcement, and violence prevention. These 13 programs account for more than 68% of the HMF appropriations for programming over the past 12 years.

For FY 2004-05 the legislative conference committee, after negotiations with the Executive branch, increased funding for a number of the "traditional" HMF programs and included funding for new initiatives, such as cardiovascular health, early hearing detection and screening, health disparities, infant mortality, and lead poisoning prevention. These increases, totaling almost \$12.4 million, will be the first expansion of HMF programming since the retrenchment after the start of the multiyear budget crisis.

After a few fits and starts, the bulk of Healthy Michigan Fund revenue has been used mostly to support a limited number of programs. This pattern has changed somewhat in the past few years as budgetary difficulties have led to an increase in the use of HMF revenue to support the Medicaid program. Even so, the vast majority of the over \$373 million in HMF program appropriations has gone to prevention programs, and the reliance on HMF money to support Medicaid is on the decline.

Table 1: HEALTHY MICHIGAN FUND APPROPRIATIONS HISTORY

	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Adolescent Health Care Services.....	\$0	\$750,000	\$850,000	\$850,000	\$850,000	\$850,000
African American Male Health Initiative	0	0	0	0	0	320,000
AIDS Medicaid Risk Pool	0	0	0	0	0	0
AIDS/HIV Risk Reduction.....	0	0	0	1,000,000	1,000,000	1,200,000
Alzheimer's Disease Outreach and Education.....	0	0	0	0	0	100,000
Cancer Prevention and Control	0	500,000	1,000,000	5,800,000	6,554,100	6,554,100
Cardiovascular Health.....	0	0	0	0	0	0
Child and Adult Arthritis.....	0	0	0	0	0	0
Children's Ombudsman Commission	0	600,000	800,000	0	0	0
Children's Special Health Care Services	0	0	2,750,000	0	0	0
Chronic Disease (unspecified)	1,500,000	7,850,000	7,507,400	0	0	0
Chronic Disease (Michigan Obesity Initiative)	0	0	0	0	0	0
Community Services (H.O.M.E. Program)	0	0	0	0	0	0
Dental Programs	0	200,000	350,000	150,000	150,000	150,000
Diabetes Local Agreements	0	0	0	2,000,000	2,200,000	2,700,000
Disease Surveillance (Deer Tuberculosis).....	0	0	0	0	500,000	0
EPSDT Outreach	0	1,450,000	1,400,000	0	0	0
Early Childhood Collaborative Secondary Prevention.....	0	0	0	0	0	0
Early Hearing Detection & Screening Program.....	0	0	0	0	0	0
Epidemiology (Behavioral Health Risk Survey)	0	0	0	0	0	0
Family Planning Local Agreements	0	0	0	0	0	0
Fish Advisory	0	0	0	0	0	0
Genetics Education.....	0	0	0	0	0	100,000
Health Education (Learning Center)	0	0	0	0	0	0
Health Education (Osteoporosis).....	0	0	0	0	150,000	650,000
Health Planning	0	0	0	2,000,000	2,000,000	2,000,000
Hepatitis C Testing and Counseling	0	0	0	0	0	0
Housing and Support Services.....	0	0	0	0	0	0
Immunization Local Agreements	2,500,000	500,000	1,481,000	1,931,000	1,750,000	1,750,000
Immunization Program Management	0	0	293,300	293,300	250,000	259,200
Immunization Program Management (hep. A)	0	0	0	0	0	100,000
Implementation of Informed Consent Legislation.....	0	0	0	0	0	0
Infant Mortality	0	0	0	0	0	0
Infant Support Services Expansion	0	1,500,000	1,800,000	0	0	0
Infectious Disease (Nosocomial Infection).....	0	0	0	0	0	200,000
Injury Control Intervention Project (Brain Injury)	0	0	0	0	37,500	617,500
Injury Control Intervention Project ("Safe Kids")	0	0	0	0	0	0
Injury Control Intervention Project (Spinal Cord).....	0	0	0	0	0	0
Lead Abatement Program	0	0	0	0	0	0

Table 1: HEALTHY MICHIGAN FUND APPROPRIATIONS HISTORY

	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Lead Poisoning Prevention	0	0	0	0	0	0
Local Health Services	0	225,000	225,000	0	0	0
Local Maternal/Child Health Services.....	0	0	0	0	0	0
Local Public Health Surveillance	0	2,325,000	2,275,000	0	0	0
Maternal Outpatient Medical Services (MOMs)	0	0	0	0	0	0
Medicaid Substance Abuse Services	2,700,000	0	0	0	0	0
Michigan Center for Rural Health	0	200,000	0	0	0	0
Michigan Essential Health Care Provider	0	500,000	500,000	500,000	500,000	500,000
MIChild and Medicaid Outreach	0	0	0	0	0	500,000
Migrant Health Services.....	0	0	0	0	0	0
Minority Health (Asian Women Project).....	0	0	0	0	0	0
Minority Health (Health Disparities)	0	0	0	0	0	0
Morris Hood Wayne State Diabetes Outreach.....	0	0	0	0	0	0
Parkinson's Disease Programming.....	0	0	0	0	0	0
Physical Fitness, Nutrition and Health.....	300,000	1,850,000	1,250,000	1,250,000	1,250,000	1,250,000
Poison Control	0	300,000	300,000	300,000	300,000	300,000
Pregnancy Prevention Programs.....	1,500,000	4,450,000	4,350,000	4,350,000	4,350,000	4,350,000
Prenatal Care Outreach and Support	0	500,000	250,000	0	250,000	250,000
Primary Care Services	0	0	0	0	0	0
Respite Care (Mental Health).....	0	2,500,000	2,500,000	3,000,000	3,000,000	3,000,000
School Health and Education Programs	0	0	0	0	0	0
Senior Nutrition Services.....	0	500,000	500,000	0	500,000	500,000
Senior Olympics.....	0	0	0	0	0	0
Sexually Transmitted Disease (Hepatitis B).....	0	0	0	0	0	4,600,000
Smoking Prevention Program	1,200,000	4,900,000	3,859,300	4,880,000	4,873,100	4,873,100
Special Projects (Community Action Project)	0	0	0	0	0	0
Special Projects (Fetal Alcohol Syndrome).....	0	0	0	0	0	200,000
Special Projects (Palliative Care)	0	0	0	0	0	750,000
Special Projects (unspecified)	0	150,000	155,100	0	0	0
Sudden Infant Death Syndrome	0	0	0	0	0	400,000
Tobacco Tax Collection and Enforcement.....	300,000	800,000	800,000	800,000	809,100	809,100
Training and Evaluation	0	243,500	243,500	243,500	243,500	243,500
Violence Prevention	0	2,550,000	2,504,600	2,000,000	2,000,800	2,000,800
Vital Records and Health Statistics	0	256,500	256,500	0	0	0
Worksite Wellness	0	0	0	1,800,000	1,800,000	1,800,000
Subtotal Healthy Michigan Fund Projects.....	\$10,000,000	\$35,600,000	\$38,200,700	\$33,147,800	\$35,318,100	\$43,877,300
Medicaid Base Funding.....	0	0	0	5,000,000	0	0
TOTAL APPROPRIATIONS	\$10,000,000	\$35,600,000	\$38,200,700	\$38,147,800	\$35,318,100	\$43,877,300

Table 1: HEALTHY MICHIGAN FUND APPROPRIATIONS HISTORY

	FY 1999-2000	FY 2000-01	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	12-Year Total
Adolescent Health Care Services.....		\$850,000	\$214,000	\$0	\$0	\$0	\$6,064,000
African American Male Health Initiative.....	320,000	320,000	320,000	0	0	0	1,280,000
AIDS Medicaid Risk Pool.....	400,000	400,000	0	0	0	0	800,000
AIDS/HIV Risk Reduction.....	1,000,000	1,000,000	1,000,000	0	0	0	6,200,000
Alzheimer's Disease Outreach and Education.....	290,000	290,000	290,000	290,000	290,000	400,000	1,950,000
Cancer Prevention and Control.....	6,411,200	6,561,200	4,911,200	1,535,600	1,642,300	3,155,600	44,625,300
Cardiovascular Health.....	0	0	0	0	0	2,598,200	2,598,200
Child and Adult Arthritis.....	0	50,000	50,000	0	50,000	100,000	250,000
Children's Ombudsman Commission.....	0	0	0	0	0	0	1,400,000
Children's Special Health Care Services.....	0	0	0	0	0	0	2,750,000
Chronic Disease (unspecified).....	0	0	0	0	0	0	16,857,400
Chronic Disease (Michigan Obesity Initiative).....	0	500,000	200,000	0	0	0	700,000
Community Services (H.O.M.E. Program).....	0	1,000,000	0	0	0	0	1,000,000
Dental Programs.....	150,000	150,000	150,000	150,000	150,000	150,000	1,900,000
Diabetes Local Agreements.....	2,650,000	2,650,000	2,650,000	0	1,801,300	2,315,200	18,966,500
Disease Surveillance (Deer Tuberculosis).....	0	0	0	0	0	0	500,000
EPSDT Outreach.....	0	1,000,000	0	0	0	0	3,850,000
Early Childhood Collaborative Secondary Prev.	1,000,000	0	0	0	0	0	1,000,000
Early Hearing Detection & Screening Program.....	0	0	0	0	0	400,000	400,000
Epidemiology (Behavioral Health Risk Survey).....	150,000	150,000	150,000	0	0	0	450,000
Family Planning Local Agreements.....	0	0	0	0	634,600	634,600	1,269,200
Fish Advisory.....	0	406,200	0	0	0	0	406,200
Genetics Education.....	0	0	0	0	0	0	100,000
Health Education (Learning Center).....	300,000	0	0	0	0	0	300,000
Health Education (Osteoporosis).....	400,000	400,000	400,000	133,300	0	400,000	2,533,300
Health Planning.....	2,000,000	2,000,000	2,000,000	333,400	0	0	12,333,400
Hepatitis C Testing and Counseling.....	0	300,000	0	0	0	0	300,000
Housing and Support Services.....	500,000	0	0	0	0	0	500,000
Immunization Local Agreements.....	1,750,000	1,750,000	1,750,000	1,550,000	1,750,000	1,750,000	20,212,000
Immunization Program Management.....	267,600	267,600	267,600	274,100	274,100	294,100	2,740,900
Immunization Program Management (hep. A).....	100,000	0	0	0	0	0	200,000
Implementation of Informed Consent Legislation....	0	0	0	0	23,500	23,500	47,000
Infant Mortality.....	0	0	0	0	0	1,000,000	1,000,000
Infant Support Services Expansion.....	0	0	0	0	0	0	3,300,000
Infectious Disease (Nosocomial Infection).....	0	0	0	0	0	0	200,000
Injury Control Intervention Project (Brain Injury).....	200,000	200,000	0	0	0	0	1,055,000
Injury Control Intervention Project ("Safe Kids").....	0	500,000	500,000	0	0	0	1,000,000
Injury Control Intervention Project (Spinal Cord).....	0	110,000	0	0	0	0	110,000
Lead Abatement Program.....	0	1,000,000	0	0	0	0	1,000,000

Table 1: HEALTHY MICHIGAN FUND APPROPRIATIONS HISTORY

	FY 1999-2000	FY 2000-01	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	12-Year Total
Lead Poisoning Prevention	0	0	0	0	0	1,000,000	1,000,000
Local Health Services	0	0	0	0	0	0	450,000
Local Maternal/Child Health Services.....	0	0	0	0	246,100	246,100	492,200
Local Public Health Surveillance	0	0	0	0	0	0	4,600,000
Maternal Outpatient Medical Services (MOMs)	0	0	0	4,000,000	1,586,000	1,575,500	7,161,500
Medicaid Substance Abuse Services	0	0	0	0	0	0	2,700,000
Michigan Center for Rural Health	0	0	0	0	0	0	200,000
Michigan Essential Health Care Provider	500,000	500,000	500,000	0	0	0	4,000,000
MIChild and Medicaid Outreach.....	0	0	0	0	0	0	500,000
Migrant Health Services.....	0	0	0	0	0	340,000	340,000
Minority Health (Asian Women Project).....	100,000	0	0	0	0	0	100,000
Minority Health (Health Disparities)	0	0	0	0	0	900,000	900,000
Morris Hood Wayne State Diabetes Outreach.....	0	500,000	500,000	208,300	0	400,000	1,608,300
Parkinson's Disease Programming.....	0	200,000	0	0	0	200,000	400,000
Physical Fitness, Nutrition and Health.....	1,250,000	1,250,000	1,250,000	0	0	900,000	11,800,000
Poison Control	300,000	300,000	300,000	300,000	300,000	300,000	3,300,000
Pregnancy Prevention Programs.....	4,350,000	4,350,000	3,500,000	0	5,033,300	5,033,300	45,616,600
Prenatal Care Outreach and Support	250,000	250,000	250,000	250,000	0	0	2,250,000
Primary Care Services	0	400,000	0	0	0	0	400,000
Respite Care (Mental Health).....	3,000,000	3,000,000	3,000,000	1,000,000	0	0	24,000,000
School Health and Education Programs.....	0	0	0	0	0	500,000	500,000
Senior Nutrition Services.....	500,000	500,000	500,000	167,000	167,000	167,000	4,001,000
Senior Olympics.....	100,000	100,000	0	0	0	0	200,000
Sexually Transmitted Disease (Hepatitis B).....	0	0	0	0	0	0	4,600,000
Smoking Prevention Program	4,895,100	4,895,100	4,895,100	1,906,200	3,114,200	4,665,100	48,956,300
Special Projects (Community Action Project)	120,000	0	0	0	0	0	120,000
Special Projects (Fetal Alcohol Syndrome).....	200,000	200,000	200,000	0	0	0	800,000
Special Projects (Palliative Care)	700,000	8,800	0	0	0	0	1,458,800
Special Projects (unspecified)	0	0	0	0	0	0	305,100
Sudden Infant Death Syndrome	0	200,000	0	0	0	0	600,000
Tobacco Tax Collection and Enforcement.....	810,000	810,000	810,000	810,000	810,000	810,000	9,178,200
Training and Evaluation	243,500	243,500	243,500	0	220,000	220,000	2,388,000
Violence Prevention	2,705,100	2,005,100	505,100	0	0	0	16,271,500
Vital Records and Health Statistics	0	0	0	0	0	0	513,000
Worksite Wellness	1,800,000	3,800,000	(1,500,000)	0	0	0	9,500,000
Subtotal Healthy Michigan Fund Projects.....	\$40,562,500	\$45,367,500	\$29,806,500	\$12,907,900	\$18,092,400	\$30,478,200	\$373,358,900
Medicaid Base Funding.....	0	0	5,336,000	41,200,000	38,524,700	12,921,800	102,982,500
TOTAL APPROPRIATIONS	\$40,562,500	\$45,367,500	\$35,142,500	\$54,107,900	\$56,617,100	\$43,400,000	\$476,341,400

Source: Budget histories