

**HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 27**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2021; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2021, from the following funds:

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**APPROPRIATION SUMMARY**

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<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>385,150,000</b>
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Interdepartmental grant revenues:



1	Total interdepartmental grants and		
2	intradepartmental transfers		0
3	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>385,150,000</b>
4	Federal revenues:		
5	Total federal revenues		367,925,000
6	Special revenue funds:		
7	Total local revenues		0
8	Total private revenues		0
9	Total other state restricted revenues		0
10	<b>State general fund/general purpose</b>	<b>\$</b>	<b>17,225,000</b>
11	<b>Sec. 102. DEPARTMENT OF EDUCATION</b>		
12	<b>(1) APPROPRIATION SUMMARY</b>		
13	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>105,000,000</b>
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and		
16	intradepartmental transfers		0
17	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>105,000,000</b>
18	Federal revenues:		
19	Total federal revenues		105,000,000
20	Special revenue funds:		
21	Total local revenues		0
22	Total private revenues		0
23	Total other state restricted revenues		0
24	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
25	<b>(2) ONE-TIME APPROPRIATIONS</b>		
26	COVID-19 child care public assistance	\$	105,000,000
27	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>105,000,000</b>
28	Appropriated from:		



1	Federal revenues:		
2	Federal funds		105,000,000
3	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
4	<b>Sec. 103. DEPARTMENT OF HEALTH AND HUMAN</b>		
5	<b>SERVICES</b>		
6	<b>(1) APPROPRIATION SUMMARY</b>		
7	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>260,450,000</b>
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and		
10	intradepartmental transfers		0
11	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>260,450,000</b>
12	Federal revenues:		
13	Total federal revenues		260,225,000
14	Special revenue funds:		
15	Total local revenues		0
16	Total private revenues		0
17	Total other state restricted revenues		0
18	<b>State general fund/general purpose</b>	<b>\$</b>	<b>225,000</b>
19	<b>(2) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND</b>		
20	<b>SPECIAL PROJECTS</b>		
21	Behavioral health program administration	\$	450,000
22	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>450,000</b>
23	Appropriated from:		
24	Federal revenues:		
25	Total other federal revenues		225,000
26	<b>State general fund/general purpose</b>	<b>\$</b>	<b>225,000</b>
27	<b>(3) ONE-TIME APPROPRIATIONS</b>		
28	Hospital COVID-19 grants	\$	160,000,000



1	Long-term care facility supports	100,000,000
2	<b>GROSS APPROPRIATION</b>	<b>\$ 260,000,000</b>
3	Appropriated from:	
4	Federal revenues:	
5	Coronavirus state fiscal recovery fund	260,000,000
6	<b>State general fund/general purpose</b>	<b>\$ 0</b>
7	<b>Sec. 104. DEPARTMENT OF STATE POLICE</b>	
8	<b>(1) APPROPRIATION SUMMARY</b>	
9	<b>GROSS APPROPRIATION</b>	<b>\$ 12,700,000</b>
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and	
12	intradepartmental transfers	0
13	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 12,700,000</b>
14	Federal revenues:	
15	Total federal revenues	2,700,000
16	Special revenue funds:	
17	Total local revenues	0
18	Total private revenues	0
19	Total other state restricted revenues	0
20	<b>State general fund/general purpose</b>	<b>\$ 10,000,000</b>
21	<b>(2) SPECIALIZED SERVICES</b>	
22	Secondary road patrol program	\$ 2,700,000
23	<b>GROSS APPROPRIATION</b>	<b>\$ 2,700,000</b>
24	Appropriated from:	
25	Federal revenues:	
26	Coronavirus state fiscal recovery fund	2,700,000
27	<b>State general fund/general purpose</b>	<b>\$ 0</b>
28	<b>(3) ONE-TIME APPROPRIATIONS</b>	



1	Emergency and disaster response and mitigation	\$	10,000,000
2	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>10,000,000</b>
3	Appropriated from:		
4	<b>State general fund/general purpose</b>	<b>\$</b>	<b>10,000,000</b>
5	<b>Sec. 105. DEPARTMENT OF TREASURY</b>		
6	<b>(1) APPROPRIATION SUMMARY</b>		
7	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>7,000,000</b>
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and		
10	intradepartmental transfers		0
11	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>7,000,000</b>
12	Federal revenues:		
13	Total federal revenues		0
14	Special revenue funds:		
15	Total local revenues		0
16	Total private revenues		0
17	Total other state restricted revenues		0
18	<b>State general fund/general purpose</b>	<b>\$</b>	<b>7,000,000</b>
19	<b>(2) ONE-TIME APPROPRIATIONS</b>		
20	Wrongful imprisonment compensation fund	\$	7,000,000
21	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>7,000,000</b>
22	Appropriated from:		
23	<b>State general fund/general purpose</b>	<b>\$</b>	<b>7,000,000</b>

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

28           Sec. 201. Pursuant to section 30 of article IX of the state  
29 constitution of 1963, total state spending from state sources under



1 part 1 for the fiscal year ending September 30, 2021 is  
2 \$17,225,000.00 and total state spending from state sources to be  
3 paid to local units of government is \$10,000,000.00.

4 Sec. 202. The appropriations made and expenditures authorized  
5 under this part and part 1 and the departments, commissions,  
6 boards, offices, and programs for which appropriations are made  
7 under this part and part 1 are subject to the management and budget  
8 act, 1984 PA 431, MCL 18.1101 to 18.1594.

9 Sec. 203. If the state administrative board, acting under  
10 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount  
11 appropriated under this act, the legislature may, by a concurrent  
12 resolution adopted by a majority of the members elected to and  
13 serving in each house, inter-transfer funds within this act for the  
14 particular department, board, commission, office, or institution.

15 Sec. 204. Funds appropriated in part 1 are subject to  
16 applicable federal audit and reporting requirements. Prompt action  
17 shall be taken if instances of noncompliance are identified,  
18 including noncompliance identified in an audit finding. If any  
19 instance of noncompliance is identified, including noncompliance  
20 identified in an audit finding, the state budget director shall  
21 take necessary and immediate action to rectify it. The state budget  
22 director shall notify the senate and house appropriations  
23 committees and the senate and house fiscal agencies when an  
24 instance of noncompliance is identified.

25 Sec. 205. The state budget director shall report on the status  
26 of funds appropriated in part 1, and all funds appropriated related  
27 to the coronavirus relief effort, to the senate and house  
28 appropriations committees and the senate and house fiscal agencies  
29 on a monthly basis until all funds are exhausted.



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**DEPARTMENT OF EDUCATION**

3           Sec. 301. (1) From the funds appropriated in part 1 for COVID-  
4 19 child care public assistance, the provider reimbursement rates  
5 for child care centers, group home providers, registered family  
6 homes, and licensed exempt providers are increased by 40% from the  
7 provider rates as of September 30, 2020, rounded up to the nearest  
8 \$0.05.

9           (2) Rate increases funded under subsection (1) are effective  
10 from October 1, 2020 to September 30, 2021.

11           Sec. 302. From the funds appropriated in part 1 for COVID-19  
12 child care public assistance, the department shall make payments to  
13 child care providers, beginning on June 28, 2021 and ending on  
14 September 30, 2021, for eligible children in the child development  
15 and care program based on enrollment rather than based on  
16 attendance.

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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

19           Sec. 401. From the funds appropriated in part 1 for hospital  
20 COVID-19 grants, the department of health and human services shall  
21 provide grants to hospitals in this state to help cover increased  
22 hospital costs and reduced hospital revenue related to the COVID-19  
23 pandemic. The grant to each hospital shall equal each hospital's  
24 percentage of total state Medicaid inpatient claims revenue,  
25 including Medicaid managed care inpatient claims revenue, in the  
26 most recent 12 months for which the information is available  
27 multiplied by the appropriation for hospital COVID-19 grants in  
28 part 1.

29           Sec. 402. (1) From the funds appropriated in part 1 for long-



1 term care facility supports, the department of health and human  
2 services shall allocate \$100,000,000.00 to provide a \$23.00 per  
3 Medicaid day increase to nursing facilities that have experienced a  
4 5% or greater decline in the nursing facility's average daily  
5 census during the last 3 calendar quarters of the fiscal year  
6 ending September 30, 2021 when compared to the nursing facility's  
7 average daily census as reported in the nursing facility's 2019  
8 Medicaid cost report. A nursing facility may be eligible for  
9 reimbursement for 1 or all 3 calendar quarters based on each  
10 nursing facility's change in average daily census by calendar  
11 quarter.

12 (2) Each nursing facility may request from the department of  
13 health and human services the additional \$23.00 per Medicaid day  
14 increase at the end of each calendar quarter. The request must  
15 include the average daily census as reported on the applicable 2019  
16 Medicaid cost report based on total licensed beds, the actual  
17 applicable calendar quarter's average daily census, and a detailed  
18 weekly average daily census for the calendar quarter. The  
19 department of health and human services may request additional  
20 documentation to verify census. The request must also include the  
21 number of Medicaid days of care rendered for the applicable 2021  
22 calendar quarter, including Medicaid integrated care organization  
23 days and healthy Michigan plan days.

24 (3) After receiving the request with all of the applicable  
25 information, the department of health and human services must remit  
26 payment to the nursing facility within 14 days. The department must  
27 reconcile payments under this section by no sooner than 92 days  
28 after September 30, 2021. As a condition of receiving funds  
29 appropriated in this section, the nursing facility must agree to





1 any appropriate payment or recovery action for any over or under  
2 payment disclosed from this reconciliation process, and the  
3 department of health and human services must report to each nursing  
4 facility whether this reconciliation process identified any over or  
5 under payments.

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7 **DEPARTMENT OF STATE POLICE**

8 Sec. 501. The funds appropriated in part 1 for emergency and  
9 disaster response and mitigation shall be used to cover costs  
10 related to the June 2021 weather events in this state.

