

FY 2020-21 SUPPLEMENTAL APPROPRIATIONS
Summary: House Floor Substitute
Senate Bill 27 (H-1)



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Overview

The House Substitute for Senate Bill 27 (H-1) contains supplemental appropriation adjustments to various state department budgets for FY 2020-21. The bill appropriates \$385.2 million Gross. Of that, \$367.9 million is from federal COVID relief funding that was authorized through the federal Coronavirus Response and Relief Supplemental Appropriations Act in an effort to support the economic recovery of individuals, families, and businesses struggling with effects of the COVID-19 pandemic. The bill also appropriates \$17.2 million from the state's general fund.

Appropriation and boilerplate priorities initiated by the legislature and the State Budget Office are identified following this overview. The bill appropriates .

FY 2020-21 APPROPRIATIONS SUMMARY

Budget Area		FY 2020-21 Year-to-Date Appropriations	FY 2020-21 Supplemental Change	% Change
Education	Gross	\$451,695,700	\$105,000,000	23.2
	GF/GP	\$90,067,100	\$0	0.0
Health and Human Services	Gross	\$31,281,607,100	\$260,450,000	0.8
	GF/GP	\$5,279,838,900	\$225,000	0.0
State Police	Gross	\$831,730,400	\$12,700,000	1.5
	GF/GP	\$439,376,600	\$10,000,000	2.3
Treasury - Operations	Gross	\$1,102,629,500	\$7,000,000	0.6
	GF/GP	\$279,432,200	\$7,000,000	2.5
TOTAL	Gross	\$33,667,662,700	\$385,150,000	1.1
	GF/GP	\$6,088,714,800	\$17,225,000	0.3

FY 2020-21 Supplemental Appropriation Items

**Appropriation
Change**

EDUCATION

1. COVID-19 Child Care Public Assistance

Includes \$105.0 million of federal funds to provide a 40% rate increase to child development and care (CDC) program providers beginning on October 1, 2020 and ending September 30, 2021, and a modification to pay providers based on enrollment rather than based on attendance starting on June 28, 2021 and ending September 30, 2021.

Gross \$105,000,000
Federal 105,000,000
GF/GP \$0

HEALTH AND HUMAN SERVICES

2. Certified Community Behavioral Health Clinics Demonstration Program

Includes \$450,000 Gross (\$225,000 GF/GP) for staffing costs for a Behavioral Health Policy and Operations office to oversee the Certified Community Behavioral Health Clinics Demonstration program.

Gross \$450,000
Federal 225,000
GF/GP \$225,000

3. Hospital COVID-19 Grants

Includes \$160.0 million of federal Coronavirus State Fiscal Recovery Funds to provide grant awards to hospitals based on total state Medicaid inpatient claims revenue to help cover increased hospital costs and reduced hospital revenue related to the COVID-19 pandemic.

Gross \$160,000,000
Federal 160,000,000
GF/GP \$0

<u>FY 2020-21 Supplemental Appropriation Items</u>		Appropriation Change
4. Nursing Facility Grants		Gross \$100,000,000
Includes \$100.0 million of federal Coronavirus State Fiscal Recovery Funds to provide a \$23.00 per Medicaid day increase to nursing facilities that have experienced a 5% or greater decline in the nursing facility's average daily census.		Federal 100,000,000
		GF/GP \$0

STATE POLICE

5. Secondary Road Patrol Program		Gross \$2,700,000
Includes \$2.7 million of federal Coronavirus State Fiscal Recovery Funds to support the Secondary Road Patrol Program, which provides grants to county sheriff's departments for the patrol of secondary roads.		Federal 2,700,000
		GF/GP \$0
6. Emergency and Disaster Response and Mitigation		Gross \$10,000,000
Includes \$10.0 million GF/GP to be used to assist areas of the state with restoration costs and other expenses resulting from weather-related events that occurred in June 2021.		GF/GP \$10,000,000

TREASURY

7. Wrongful Imprisonment Compensation Fund		Gross \$7,000,000
Includes \$7.0 million GF/GP for deposit into the Wrongful Imprisonment Compensation Fund. Funds support statutorily required payments to those deemed to have been wrongfully imprisoned and eligible for compensation from the state under 2016 PA 363.		GF/GP \$7,000,000

FY 2020-21 Supplemental Boilerplate Items

GENERAL SECTIONS

Sec. 201. State Spending and State Appropriations Paid to Local Units of Government
Estimates total state spending from state sources and payments to be made to local units of government.

Sec. 202. Appropriations Subject to Management and Budget Act
Subjects appropriations to the Management and Budget Act, 1984 PA 431.

Sec. 203. State Administrative Board Transfers
Authorizes the legislature, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, to inter-transfer funds if the State Administrative Board transfers funds.

Sec. 204. Appropriations Subject to Federal Audit and Reporting Requirements
Subjects appropriations to applicable federal audit and reporting requirements; requires prompt action if instances of noncompliance are identified; requires the state budget director to notify appropriations committees and fiscal agencies of incidences of noncompliance.

Sec. 205. Report on Status of COVID-19 Appropriations
Requires the state budget director to report on a monthly basis on the status of all funds appropriated related to the coronavirus relief effort until all funds are exhausted.

EDUCATION

Sec. 301. Provider Reimbursement Rates
Requires MDE to increase CDC provider reimbursement rates by 40% from October 1, 2020 to September 30, 2021.

Sec. 302. Payment to Child Care Providers
Requires MDE to make payments to child care providers for eligible children in the CDC program based on enrollment rather than based on attendance from June 28, 2021 to September 30, 2021.

HEALTH AND HUMAN SERVICES

Sec. 401. Hospital COVID-19 Grants
Requires the department to provide grants to hospitals to help cover increased hospital costs and reduced hospital revenue related to the COVID-19 pandemic; requires hospital grants to be based on the percent of total Medicaid inpatient claims revenue.

FY 2020-21 Supplemental Boilerplate Items

Sec. 402. Nursing Facility Grants

Requires a \$23.00 per Medicaid day increase to nursing facilities that have experienced a 5% or greater decline in their average daily census when compared to their average daily census reported in the 2019 Medicaid cost report; requires calculation to be determined on a quarterly basis and to be based on total licensed beds, actual quarterly average daily census, and weekly average daily census for the quarter; requires nursing facilities to agree to payment or recovery action for any over or under payment disclosed.

STATE POLICE

Sec. 501. Emergency and Disaster Response and Mitigation

Requires appropriation to be used to assist areas of the state with restoration costs and other expenses resulting from weather-related events that occurred in June 2021.