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House Bill 4087 (Substitute H-2 as reported without amendment)  
Sponsor: Representative Jeff Yaroch  
House Committee: Health Policy  
Senate Committee: Health Policy and Human Services

### **CONTENT**

The bill would amend the Emergency Management Act to do the following:

- Require the Department of Health and Human Services (DHHS) to stockpile the medical supplies necessary to respond to a state of disaster or state of emergency in the State.
- Require the Emergency Management and Homeland Security Division of the Michigan State Police to assist the DHHS with the coordination and distribution of the stockpile during a state of disaster or state of emergency.
- Require the DHHS to display a list of the medical supplies inventory on its website.
- Require preference to be given to goods or services manufactured or provided by Michigan businesses that were owned and operated by veterans or goods or services that were manufactured or provided by Michigan businesses, if the goods or services were competitively priced and of comparable quality.

Proposed MCL 30.407b

Legislative Analyst: Stephen Jackson

### **FISCAL IMPACT**

The bill would have an indeterminate negative fiscal impact on the DHHS, the magnitude of which would depend on the level of appropriation made to support the coordination and maintenance of the stockpile, the rotation of the stockpile to avoid expiration, and coordination of sales or donations of nearly expired supplies. There is no specific appropriation in the enacted fiscal year (FY) 2020-21 DHHS budget or the proposed FY 2021-22 DHHS budget to support the medical supplies stockpile. However, the Department estimates that it will receive \$27.9 million through the Public Health Emergency Preparedness grant and \$1.4 million through the Hospital Preparedness Program in FY 2021-22 that could, potentially, be used to support the creation of a stockpile. Additionally, some of the costs related to the creation and maintenance of the stockpile could be offset partially by the sale of supplies as they neared expiration.

The bill's requirement to maintain a searchable website listing the quantity and expiration date of all medical supplies in the stockpile also would increase administrative costs for DHHS.

The bill would have a negligible fiscal impact on the Michigan State Police, in which the State's Emergency Management and Homeland Security unit is housed. It is expected that any assistance given to the DHHS would be assumed by existing resources and staff and would not require additional appropriations.

Date Completed: 10-12-21

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Bill Analysis @ [www.senate.michigan.gov/sfa](http://www.senate.michigan.gov/sfa)

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