

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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FY 1999-2000 Senate-Passed Gross Appropriations	\$117,901,300
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House Changes to Senate-Passed:

1. **Economic Development Job Training Grants.** The Governor recommended restoring the \$1 million GF/GP funding FY 1998-99 was used to fund the interdepartmental grant to the Department of Natural Resources for the Civilian Conservation Corps Camp at Alberta. The camp will be funded directly in the DNR budget for FY 1999-2000. The Senate reduced this line 928,500
2. **Michigan Promotion Program.** The Senate recommends a \$200,000 increase for promoting tourism activities in the Northeast side of State. The House did not include this funding. 0
3. **Comparison to Governor's Recommendation.** The Senate bill is below the Governor's Recommendation by \$(14,015,800) Gross and by \$(1,015,800) GF/GP. The House is below the Governor's Recommendation by \$(13,287,300) Gross and \$(287,300) GF/GP.

Total Changes	928,500
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FY 1999-2000 House-Passed Gross Appropriation	\$118,629,800
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Changes from FY 1999-2000 Senate-Passed:

1. **Economic Development Job Training Grants.** The Governor recommended new language that would exempt grant funds used for the development of web-based or other distance learning from the 70% calculation provided for community colleges, if community colleges or a consortium of community colleges acts as a partner in the development of the program. The Senate concurred. The House changed this language to state up to \$6.0 million will be set aside for web-based training, but did not include the provision that community colleges act as a partner. (Sec. 301)
2. **International Offices.** The Governor and House recommended deleting language requiring the Agency to report on the operations of the foreign offices and the International and Business Development Office. The Senate recommends deleting only the portion referring to the International and Business Development Office.
3. **Purchase of Land.** The Senate recommends adding new language placing conditions on the Strategic Fund/MEDC regarding land options or purchase of land. In counties with populations of 250,000 or more, the MEDC can only purchase options on land or purchase land in distressed areas, and in counties with populations of 250,000 or less, the MEDC can only purchase options on land or purchase land in distressed areas or at the invitation of the local unit of government or local economic development agency. The House deleted the population requirements and require either the land be located in an economically distressed area or the land is purchased at the invitation of the locals and the procedure is consistent with a land use plan. (Sec. 308)
4. **Northeast Michigan Promotion.** The Senate recommends adding new language specifying that of the funds appropriated for the Promotion program, \$200,000 be allocated to promote tourism activities in the Northeast portion of the State. The House did not include this language.
5. **Michigan Economic Development Corporation Reports.** The Senate recommends adding new language requiring the Fund to report on all activities of the Corporation, including expected spending plans, actual expenditures, and number of FTEs for the various programs transferred in E.O. 1999-1. The House did not include the expected spending plan as part of the report. (Sec. 310)
6. **Private Fundraising.** The Senate recommends adding new language requiring all private fundraising be done by the Michigan First Corporation for marketing, promotion, and events only and should any employees be detailed to fundraising activities they shall not be party to decisions regarding grant awards or tax abatements provided by the Strategic Fund, the Michigan Economic Development Corporation, or the Michigan Economic Growth Authority. The House did not include this language.
7. **Corporation Board.** The Senate added new language stating any vacancy on the board of the corporation representing the State, an agency of the State, the Michigan Strategic Fund, shall be appointed by the Governor. The House did not include this language.

Date Completed: 5/17/99

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