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**SFA****BILL ANALYSIS**

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### OVERVIEW

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The General Government Appropriations Bill contains appropriations for the Attorney General, Civil Rights, Civil Service, Executive, Legislative Auditor General, Legislature, Library of Michigan, Management and Budget, State, and Treasury. The Senate-passed version of the bill is \$46,233,900 Gross/\$6,947,400 GF/GP over the Governor's recommendation. Statutory Revenue Sharing accounts for \$37,700,000 of the total amount over the Governor's recommendation. While the funding source for statutory revenue sharing is sales tax revenue, and does not impact the general fund appropriation in this bill, it does reduce funding that would go to the State General Fund to be available for other State appropriations. The House-passed version of the bill is \$5,247,900 below the Senate-passed Gross Appropriation and \$5,914,900 over the Senate General Fund appropriation. The General Fund difference is largely attributable to the House rejection of the Governor's proposed funding shift of \$7,962,900 from State General Fund to restricted transportation funding in the Department of State budget. The following pages list House changes to the Senate by individual budget areas.

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Boilerplate changes in the general boilerplate section of the bill made by the House include:

1. **Abortion Services.** The Governor eliminated language that prohibits the use of funds to provide coverage to State employees, or their dependents, for abortion services if those services are not required by Civil Service or collective bargaining agreements. The language also directed the State Employer to negotiate the elimination of coverage through the collective bargaining process. The Senate restored the language with additional reporting requirements for current semiannual status reports. The House restored current-year language without the Senate changes. (Sec. 215)
2. **Year 2000.** The Governor eliminated current-year language regarding Year 2000 computer costs. The Senate restored the language. The House modified the language by adding a quarterly reporting requirement for identifying system problems, corrective actions, additional costs, and providing for billings to DMB for the cost of corrective actions. (Sec. 209)
3. **Budget Stabilization Fund (BSF) Language.** The Governor and Senate eliminated language that appropriated unreserved general fund/general purpose balances at the close of the fiscal year to the BSF. A new section is included which lists a statutory estimated payment of \$0 to the BSF. (Sec. 212) The House included Sec. 212 but also restored the language that appropriates the unreserved balance to the BSF. (Sec. 208)
4. **Internet Access for Reports.** The Senate included new language that provides for all reports required by this Act to be made available to the public through the Internet. The House modified the language by creating a pilot program for placement of reports on the Internet with electronic notice to legislative offices. The House language requires all reports to be distributed in current printed format during FY 1999-2000. (Sec. 213)
5. **Retain Copies of Reports.** The Senate included language that requires departments to receive and retain copies of reports funded from appropriations in this bill. The House modified the language by stating that Federal and State guidelines for retention of records shall be followed. (Sec. 214)
6. **Privatization Projects.** The Senate restored current-year language eliminated by the Governor that required departments to submit a complete project plan to appropriate House and Senate appropriation subcommittees and fiscal agencies 60 days prior to beginning any privatization efforts. The completed evaluations are to be submitted within 30 months. The House modified the language by requiring completed evaluations 30 days prior to renewing or extending the privatization initiative and preventing extension of initiatives that have not demonstrated measurable savings or documented improved product or service.

Date Completed: 5/29/99

B. Bowerman  
E. Limbs



<b>FY 1999-2000 Senate-Passed Gross Appropriation .....</b>	<b>\$55,132,300</b>
<b>House Changes to Senate-Passed:</b>	
1. <b>Funding Shift.</b> The Governor's recommendation shifts \$2,246,400 in support from the State Trunkline Fund to the Michigan Transportation Fund. The revenue supports legal services to the Michigan Transportation Department for State highway negligence cases and legal work associated with State Trunkline roads. The budget also shifts \$116,600 from the Comprehensive Transportation Fund to the Michigan Transportation Fund. The Senate concurred with the Governor. The House rejected the funding shift.	0
7. <b>Rent.</b> The House increased the operations line item to maintain a point of difference for Conference regarding rent issues.	100
Total Changes .....	\$100
<b>FY 1999-2000 House-Passed Gross Appropriation .....</b>	<b>\$55,132,400</b>

**Changes from FY 1999-2000 Senate-Passed:**

1. **Casino Gaming.** The Governor eliminated language that prohibits individuals assigned to casino gaming oversight from being employed by a gaming establishment until two years after termination of employment with the department. The Senate restored the language. The House concurred with the Governor.
2. **Actions Against Firearm Manufacturers.** The Senate included new language that prohibits the Attorney General from bringing actions in cases that involve claims against a firearms manufacturer based on the use of a firearm by an individual that results in an injury to persons or property. The prohibition does not apply to claims involving defective design or defective manufacturing. The House eliminated the section.

Date Completed: 5/29/99

Fiscal Analyst: B. Bowerman

<b>FY 1999-2000 Senate-Passed Gross Appropriation .....</b>	<b>\$14,623,300</b>
<b>House Changes to Senate-Passed:</b>	
The House concurred with the Senate on all items.	
Total Changes .....	\$0
<b>FY 1999-2000 House-Passed Gross Appropriation .....</b>	<b>\$14,623,300</b>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.

**Changes from FY 1999-2000 Senate-Passed:**

None.

Date Completed: 5/29/99

Fiscal Analyst: E. Limbs

<b>FY 1999-2000 Senate-Passed Gross Appropriation .....</b>		<b>\$27,835,500</b>
<b>House Changes to Senate-Passed:</b>		
1. <b>Computer Software.</b> The Senate included a GF/GP increase for base costs for computer maintenance. The House removed the Senate increase for computer maintenance.		(250,000)
Total Changes .....		(250,000)
<b>FY 1999-2000 House-Passed Gross Appropriation .....</b>		<b>\$28,585,500</b>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.

**Changes from FY 1999-2000 Senate-Passed:**

None.

Date Completed: 5/29/99

Fiscal Analyst: E. Limbs



<b>FY 1999-2000 Senate-Passed Gross Appropriation</b> .....	<b>\$5,425,100</b>
<b>House Changes to Senate-Passed:</b>	
The House concurred with the Senate on all items.	
Total Changes .....	\$0
<b>FY 1999-2000 House-Passed Gross Appropriation</b> .....	<b>\$5,425,100</b>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.

**Changes from FY 1999-2000 Senate-Passed:**

None.

Date Completed: 5/29/99

Fiscal Analyst: B. Bowerman

<b>FY 1999-2000 Senate-Passed Gross Appropriation</b> .....	<b>\$15,097,000</b>
<b>House Changes to Senate-Passed:</b>	
1. <b>Auditor General's Salary.</b> The Governor did not adjust the Auditor General's salary. The Senate increased the salary from \$106,000 to \$118,000 (11.3%). The House added \$100 to the Senate increase.	100
2. <b>Unclassified Salaries.</b> The Governor included a 3% increase for the line item that funds 2.0 unclassified positions. The Senate increased funding by 11.3%, from \$115,200 to \$128,200. The House added \$100 to the Senate increase.	100
3. <b>Field Operations.</b> The Senate provided \$753,600 for program improvements, 8.0 FTE, and additional economics. The House added \$100 to the Senate increase.	100
Total Changes .....	\$300
<b>FY 1999-2000 House-Passed Gross Appropriation</b> .....	<b>\$15,097,300</b>

**Changes from FY 1999-2000 Senate-Passed:**

None.

Date Completed: 5/29/99

Fiscal Analyst: B. Bowerman

<b>FY 1999-2000 Senate-Passed Gross Appropriation .....</b>	<b>\$104,949,000</b>
<b>House Changes to Senate-Passed:</b>	
1. <b>Roosevelt Building.</b> The Capital Outlay Budget recommendation includes funding to demolish the Roosevelt Building. The budget therefore eliminated property management costs associated with the Roosevelt Building. The House restored \$50,000 to this line item.	50,000
2. <b>Capitol Building.</b> The Governor included \$65,100 in additional funding for property management costs. The Senate added \$227,500 to construct handrails for the exterior steps of the Capitol and \$568,000 for an emergency generator. The House reduced the funding for the handrails to \$150,000.	(77,500)
3. <b>Senate Adjustment.</b> The Senate included additional funding for the Senate including \$1,000,000 for furniture, \$559,900 for additional economic adjustments, \$777,200 for automated data processing, and \$100,000 for Farnum Building costs. The House reduced the funding for furniture by \$500,000, reduced economics by \$500,000, reduced ADP by \$242,000, and eliminated the \$100,000 increase for the Farnum Building.	(1,342,000)
4. The House also transferred \$2,087,500 from its operations line item to the House Office Building line item to reflect actual costs totaling \$7,500,000.	0
<b>Total Changes .....</b>	<b>\$(1,369,500)</b>
<b>FY 1999-2000 House-Passed Gross Appropriation .....</b>	<b>\$103,579,500</b>

**Changes from FY 1999-2000 Senate-Passed:**

1. **Roosevelt Building.** The House included language that allocates the appropriations for the Roosevelt building to provide parking for House employees. (Sec. 631)
2. **Public Access to Offices.** The House added language that states that public access to legislative offices shall not be restricted during normal business hours.

Date Completed: 5/29/99

Fiscal Analyst: B. Bowerman

<b>FY 1999-2000 Senate-Passed Gross Appropriation .....</b>	<b>\$38,977,400</b>
<b>House Changes to Senate-Passed:</b>	
1. The House restored the FTE listing for line items in the appropriation bill (140.0 FTE).	0
Total Changes .....	\$0
<b>FY 1999-2000 House-Passed Gross Appropriation .....</b>	<b>\$38,977,400</b>

**Changes from FY 1999-2000 Senate-Passed:**

None.

Date Completed: 5/29/99

Fiscal Analyst: B. Bowerman



<b>FY 1999-2000 Senate-Passed Gross Appropriation</b> .....	<b>\$137,400,800</b>
<b>House Changes to Senate-Passed:</b>	
The House concurred with the Senate on all items.	
Total Changes .....	\$0
<b>FY 1999-2000 House-Passed Gross Appropriation</b> .....	<b>\$137,400,800</b>

**Changes from FY 1999-2000 Senate-Passed:**

1. **Reporting Requirements.** The Governor's recommendation removed reporting requirements for submitting quarterly MAIN billing statements to the Legislature and principal executive departments. The Senate concurred with the Governor. The House restored the reporting requirement. (Sec. 717)
2. **Notice of Bids or Requests for Proposal.** The Senate included language that requires the Department to publish, or cause to be published, a monthly newsletter to the public or maintain an Internet website that contains notice of all invitations for bids and requests for proposal. This section states that a department shall not accept an invitation for bid or request for proposal less than 15 days after the bid or proposal was published in the newsletter or less than 30 days after the notice was made available on the website. The language authorizes the Department of Management and Budget to charge a fee for the newsletter not to exceed the cost of preparing, publishing, or circulating the newsletter. The House modified language by limiting language to invitations for bids and requests for proposals over \$50,000, eliminating newsletter, and changing date for acceptance from not less than 30 days, to not less than 15 days. (Sec. 716)
3. **Feasibility Study.** The House included language requiring the Department of Management and Budget to conduct a feasibility study regarding the placement of emergency first responder kits on each floor of buildings utilized by a State agency that houses State employees or is open to the public for State business. (Sec. 718)

Date Completed: 5/29/99

Fiscal Analyst: E. Limbs

<b>FY 1999-2000 Senate-Passed Gross Appropriation .....</b>	<b>\$181,515,300</b>
<b>House Changes to Senate-Passed:</b>	
1. <b>Public Act 51 Compliance.</b> Public Act 51, as amended, requires the phase-out of certain Michigan Transportation Fund (MTF) supported interdepartmental grants by FY 2000-01. The Department of State is exempted from this provision in the Act. A shift from the General Fund, \$7,962,900 to MTF is requested by the Governor. The Senate concurred with the Governor's recommendation. The House rejected the funding shift.	0
2. <b>Military and Space Museum.</b> The House included an appropriation to enable the museum to have electronic records of artifacts held by the museum. This retains current year funding that was eliminated by the Governor and Senate.	71,200
Total Changes .....	\$71,200
<b>FY 1999-2000 House-Passed Gross Appropriation .....</b>	<b>\$181,586,500</b>

**Changes from FY 1999-2000 Senate-Passed:**

1. **Freedom Trail Commission.** This language allocates funding to support operations of the Michigan Freedom Trail Commission. The Governor and House removed condition regarding passage of House Bill 5637. (Sec. 818 in House)
2. **Organ Donor Public Information Program.** The Governor's recommendation included that the Department may develop and administer a public information campaign concerning the Michigan Organ Donor Program. The language provides for a carryforward of funds. The Senate concurred with the Governor. House modified language by requiring collaboration with the Gift of Life Transplantation Society and allowing for sponsorship credit regarding public information campaign for all financial contributors. (Sec. 820)
3. **Commemorative and Specialty Plates.** The Governor removed language that conditions appropriations for commemorative or specialty plates on enactment of enabling legislation. The Senate concurred with the Governor. The House restored the language. (Sec. 821)
4. **Military and Space Museum Grant.** The Governor removed language authorizing the grant to the Military and Space Museum. The Senate concurred with the Governor. The House included current-year language. (Sec. 822)

Date Completed: 5/29/99

Fiscal Analyst: E. Limbs

<b>FY 1999-2000 Senate-Passed Gross Appropriation .....</b>	<b>\$1,868,615,700</b>
<b>House Changes to Senate-Passed:</b>	
1. <b>Michigan Merit Award Trust Fund Commission.</b> The Governor's recommendation included \$2,000,000 from tobacco settlement proceeds for the administration of the Michigan Merit Award Trust Fund Commission. The Senate reduced the line item by \$1,999,900. The House increased the line by \$100 over the Senate.	100
2. <b>Statutory State General Revenue Sharing Grants.</b> The Governor recommended an increase of \$21,000,000. The Senate added \$37,700,000 based on the January Revenue Estimating Conference. The House reduced the Senate recommendation by \$100.	(100)
3. <b>Special Census Revenue Sharing Grants.</b> The Governor recommended an increase from \$5,500,000 to \$6,500,000. The Senate added \$500,000 based on current projections. The House concurred with the Governor's recommendation.	(500,000)
4. <b>Lottery Promotion &amp; Advertising.</b> The Senate included an increase of \$3,200,000 over the Governor's recommendation. The House concurred with the Governor's recommendation.	(3,200,000)
Total Changes .....	(\$3,700,000)
<b>FY 1999-2000 House-Passed Gross Appropriation .....</b>	<b>\$1,864,915,700</b>

**Changes from FY 1999-2000 Senate-Passed:**

1. **Management of Retirement Funds.** Allows the Department to charge an investment service fee against retirement funds. Also appropriates, in addition to amounts appropriated in Part 1, sufficient amounts from retirement funds for costs necessary for prudent management of retirement funds (including costs of money managers, investment advisors, consultants, and other outside professionals). Governor's recommendation no longer limits additional appropriations to international investment portfolios. Senate concurred with Governor. House rejected change.
2. **Revenue Sharing.** The Governor's recommendation included language that stated, "Statutory State General Revenue Sharing Grants to townships, cities, and villages shall be reduced by an amount equal to additional constitutional revenue sharing appropriations authorized in this section." The Senate returned to current-year language by removing "townships, cities, and villages". The House concurred with the Governor. (Sec. 959)
3. **Michigan Merit Award Commission.** The House included language providing that the amount appropriated for the Michigan Merit Award Commission shall not be expended unless legislation is enacted to create the Michigan Merit Award Scholarship Trust Fund Act. (Sec. 935)
4. **Casino Gaming Employment.** The Governor removed language that prohibits employees assigned to casino gaming oversight from being employed by a gaming establishment at least 2 years after termination of employment with the Department. The Senate restored current-year language. The House concurred with the Governor. (Sec. 932)
5. **Sunday Drawing.** The Governor removed language prohibiting funds from being used to conduct a drawing held on Sunday. The Senate concurred with the Governor. The House restored language. (Sec. 973)

Date Completed: 5/29/99

Fiscal Analyst: E. Limbs