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SFA**BILL ANALYSIS**

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OVERVIEW

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 following pages detail Conference Committee decisions by individual budget areas.

Conference Committee decisions on the general boilerplate sections of the bill 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. The Conference Committee concurred with the House. (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. The Conference Committee included Leadership Agreement language. (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) The Conference Committee eliminated Section 208 and updated Section 212 based on Leadership Agreement on Section 212.
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. The Conference Committee included the Leadership version of this section. (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. The language is included pursuant to Leadership Agreement. (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. The Conference Committee eliminated the House modifications. (Sec. 211)

Date Completed: 6/16/99

B. Bowerman
E. Limbs

FY 1998-99 Year-to-Date Gross Appropriation	\$52,683,500
Changes from FY 1998-99 Year-to-Date:	
<u>Items Included by the Senate and House</u>	
1. Casino Gaming. The FY 1998-99 budget included 6.0 FTEs and \$579,500 IDG (4.0 attorneys and 2.0 clerical) for the Casino Control Division. This division is legal counsel to the Michigan Gaming Control Board. The workload of the Casino Control Division has increased due to the authorization of interim casino facilities during the construction of permanent casinos. The budget includes funding for an additional attorney and clerical position.	163,900
2. Retirement Division. The budget includes funding for an additional attorney position and a secretary for the Retirement Division. The current staff includes 4.0 FTEs/\$392,400 Restricted. The Retirement Division provides legal services regarding defined benefit retirement, defined contribution retirement, early retirement, and other retirement issues.	163,900
3. Unclassified Salaries. The Governor's recommendation for the line item that funds 5.0 FTE unclassified positions provides a 3.0% increase (from \$431,600 to \$444,500). The Senate and House concurred with the Governor.	12,900
4. Economic Adjustments.	2,029,400
5. Other Changes. The budget includes a funding shift of \$73,400 from Federal funds to GF/GP for the Prosecuting Attorney's Brief Bank project to reflect Federal/State Match requirements. There is also an adjustment to the Prosecutor's Information Exchange Project (\$0 Gross/\$39,400 GF/GP) to reflect Federal/State match requirements, and \$17,600 for other actual costs of the Prosecuting Attorneys Coordinating Council. An increase of \$61,100 GF/GP is included to reflect current baseline costs.	78,700
<u>Conference Agreement on Items of Difference</u>	
6. Funding Shift. The Governor's recommendation shifted \$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 construction projects. The Governor also recommended a shift of \$116,600 from the Comprehensive Transportation Fund to the Michigan Transportation Fund. The Senate concurred with the Governor. The House rejected the funding shift. The Conference Committee concurred with the Senate.	0
7. Rent. The House increased the operations line item by \$100 to maintain a point of difference for Conference regarding rent issues. The Conference Committee eliminated the \$100.	0
Total Changes	\$2,448,800
FY 1999-2000 Conference Report Gross Appropriation	\$55,132,300
Amount Over/(Under) GF/GP Target: \$0	

Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

1. **Contingency Funds.** The Governor's recommendation increased Federal and Restricted Contingency Funds to a maximum of \$1,500,000. The Senate and House concurred with the Governor. (Sec. 300)
2. **Student Loan Collection Costs.** The Governor eliminated language that requires the Attorney General to limit collection costs for Federal student loans to the amount the Federal government reimburses the State for collection costs. The Senate and House concurred with the Governor.

Conference Agreement on Items of Difference

3. **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. The Conference Committee concurred with the House.
4. **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. The Conference Committee concurred with the House.

Date Completed: 6/16/99

Fiscal Analyst: B. Bowerman

FY 1998-99 Year-to-Date Gross Appropriation	\$14,104,800
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Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

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|---|---------|
| 1. Housing and Urban Development (HUD) Grants. The Governor, Senate, and House recommendations reflect an increase in the Federal HUD grant from \$100,000 to \$134,000. These funds are used to investigate housing discrimination cases. | 34,000 |
| 2. Unclassified Salaries. The budget included a 3% increase for the unclassified salaries line item. | 9,700 |
| 3. Economic Adjustments. | 474,800 |

Conference Agreement on Items of Difference

There were no items of difference.

Total Changes	\$518,500
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FY 1999-2000 Conference Report Gross Appropriation	\$14,623,300
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 1998-99 Year-to-Date:

Items Included by the Senate and House

There are no changes from the current year boilerplate language.

Conference Agreement on Items of Difference

Date Completed: 6/16/99

Fiscal Analyst: E. Limbs



FY 1998-99 Year-to-Date Gross Appropriation	\$27,415,600
Changes from FY 1998-99 Year-to-Date:	
<u>Items Included by the Senate and House</u>	
1. Training Revenue. The Governor, Senate and House recommendations increased the anticipated revenues to be received from training State employees from \$575,000 to \$1,000,000.	425,000
2. One Percent Funding Adjustments. The Governor, Senate, and House recommendations shifted financing from the General Fund to the 1% assessment funds in the Department. This funding adjustment is made in anticipation of new charges that will be placed on the Family Independence Agency (FIA) for the functions that the Department of Civil Service performs for the FIA. The funding adjustment decreases GF/GP recommended appropriation by \$2,336,500.	0
3. Economic Adjustments.	744,900
<u>Conference Agreement on Items of Difference</u>	
4. Computer Software. The Senate included a GF/GP increase of \$250,000 in base costs for computer maintenance. The House rejected the increase. Pursuant to Leadership Agreement, \$250,000 was removed from base costs for computer maintenance.	0
Total Changes	\$1,169,900
FY 1999-2000 Conference Report Gross Appropriation	\$28,585,500
Amount Over/(Under) GF/GP Target: \$0	

Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

1. **Contingency Funds.** The Governor's recommendation increases contingency fund maximum to \$2,000,000 for Federal contingency funds. The Senate concurred with the Governor. (Sec. 500)
2. **One Percent Funds.** The Governor's recommendation includes new language that provides that General Fund dollars are authorized to be appropriated for any shortfall in 1% restricted resource assessments for aggregate payroll of the classified Civil Service. This boilerplate also provides that shortages shall also be taken from carry-forward balances of the funding sources used for payroll. The Senate concurred with the Governor. (Sec. 503)

Conference Agreement on Items of Difference

There were no items of difference.

Date Completed: 6/16/99

Fiscal Analyst: E. Limbs



FY 1998-99 Year-to-Date Gross Appropriation	\$5,100,400
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Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

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| 1. State Officers Compensation Commission (SOCC). The budget includes funding for 1999 and 2000 adjustments for the Governor and Lieutenant Governor pursuant to SOCC determinations. | 35,000 |
| 2. Unclassified Salaries. The budget increases the line item that funds 8.0 FTE unclassified positions by 18% (from \$685,200 to \$808,800). | 123,600 |
| 3. Economic Adjustments. | 166,100 |

Conference Agreement on Items of Difference

There were no items of difference.

Total Changes	\$324,700
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FY 1999-2000 Conference Report Gross Appropriation	\$5,425,100
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 1998-99 Year-to-Date:

Items Included by the Senate and House

No boilerplate sections are included for the Executive Office.

Date Completed: 6/16/99

Fiscal Analyst: B. Bowerman



FY 1998-99 Year-to-Date Gross Appropriation	\$13,804,300
Changes from FY 1998-99 Year-to-Date:	
<u>Items Included by the Senate and House</u>	
None.	
<u>Conference Agreement on Items of Difference</u>	
1. Auditor General's Salary. 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. The Conference Committee concurred with the Senate.	12,000
2. Unclassified Salaries. 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. The Conference Committee concurred with the Senate.	13,000
3. Field Operations. The Governor included \$514,100 for economic adjustments. The Senate provided \$753,600 for program improvements, 8.0 FTE, and additional economics. The House added \$100 to the Senate increase. The Conference Committee eliminated the increases and concurred with the Governor's economic adjustments.	514,100
Total Changes	\$539,100
FY 1999-2000 Conference Report Gross Appropriation	\$14,343,400
Amount Over/(Under) GF/GP Target: \$21,500	

Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

1. **Contingency Funds.** The Senate and House restored language eliminated by the Governor that provides for contingency funds and requires legislative transfers prior to expenditures. (Sec. 600)

Conference Agreement on Items of Difference

There were no items of difference.

Date Completed: 6/16/99

Fiscal Analyst: B. Bowerman



FY 1998-99 Year-to-Date Gross Appropriation	\$92,837,000
Changes from FY 1998-99 Year-to-Date:	
<u>Items Included by the Senate and House</u>	
1. Health Care Reserve Fund. The Governor reduced the amount allocated to the Health Care Reserve Fund by \$466,700. The Senate and House restored the funding and added \$388,900 based on estimates provided by the Legislative Retirement System.	388,900
2. Corrections Ombudsman. The Senate and House increased the budget for the Legislative Corrections Ombudsman from \$325,000 to \$563,300.	238,300
3. Legislative Session Integration System (LSIS). The Senate and House removed \$764,000 from the LSIS line item. The FY 1998-99 appropriation was \$764,900.	(764,000)
4. Economic Adjustments.	2,756,300
5. Other Changes. The budget also includes; \$441,100 for State Officers Compensation Commission determinations, \$326,000 related to Legislative Service Bureau ADP costs, \$21,700 for national association dues, and a reduction of \$279,900 to reflect the abolishment of the trial Court Assessment Commission on January 1, 1999.	508,900
<u>Conference Agreement on Items of Difference</u>	
6. Roosevelt Building. The Capital Outlay Budget recommendation includes funding to demolish the Roosevelt Building. The Governor and Senate therefore eliminated property management costs associated with the Roosevelt Building. The House restored \$50,000 to this line item. The Conference Committee eliminated the \$50,000.	0
7. Capitol Building. 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. The Conference Committee concurred with the Governor.	65,100
8. Senate Adjustment. 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. The Conference Committee concurred with the Senate.	2,437,100
9. House Office Building. The Governor's budget included funding for a new line item that will support lease costs for the new House Office Building. The budget also included \$837,500 for lease furnishing costs. The House also transferred funding from its operations line item to the House Office Building line item to reflect actual costs totaling \$7,500,000. The Conference Committee transferred funding related to House furniture to the supplemental.	4,685,900
Total Changes	\$10,316,500
FY 1999-2000 Conference Report Gross Appropriation	\$103,153,500
Amount Over/(Under) GF/GP Target: \$0	
FY 1999-2000 LEGISLATURE BUDGET	BOILERPLATE HIGHLIGHTS

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



Changes from FY 1998-99 Year-to-Date:

Items Included by the Senate and House

1. **Unmarried Domestic Partners Health Insurance.** The Governor eliminated language that prohibits funds appropriated to the Legislature from being used to pay for health insurance benefits for unmarried domestic partners of legislators or legislative staff. The Senate and House restored the language. (Sec. 630)

Conference Agreement on Items of Difference

2. **Roosevelt Building.** The House included language that allocates the appropriations for the Roosevelt building to provide parking for House employees. The Conference Committee eliminated the section.
3. **Public Access to Offices.** The House added language that provides that public access to legislative offices shall not be restricted during normal business hours. The Conference Committee concurred with the House. (Sec. 632)

Date Completed: 6/16/99

Fiscal Analyst: B. Bowerman

FY 1998-99 Year-to-Date Gross Appropriation	\$37,249,100
Changes from FY 1998-99 Year-to-Date:	
<u>Items Included by the Senate and House</u>	
1. Library Automation. The budget increases funding for automation to fund legislative database programming, an auxiliary computer backup system, an additional Internet connection, and additional funding for hardware and software maintenance.	191,800
2. Library Operations. The Governor added \$82,700 to Library Operations to cover costs of subscriptions, printing, binding, and other overhead costs. The Senate and House provided an additional \$199,600 to fund 1.0 FTE preservation specialist, 1.0 FTE programmer, and 1.0 FTE network administrator.	282,300
3. Statewide Database Access. The budget includes funding for additional access points related to local libraries participating in the Gates Library Foundation Grants Program.	150,000
4. State Aid to Libraries. The Senate and House increased State Aid to Libraries from \$14,210,700 to \$14,350,700 to fully fund estimated payments pursuant to Public Act 89 of 1977.	140,000
5. Library Services and Technology Act. The Senate and House increased Federal funding from \$4,109,800 to \$4,557,400 pursuant to the current contract amount.	447,600
6. Book Distribution Centers. The budget increases funding for two book distribution centers from \$285,000 to \$313,000. The centers are 501c(3) organizations that obtain donations of publications and distribute the materials to child care centers, shelters, literacy programs, hospitals, nursing homes, and other groups.	28,500
7. Renaissance Zone Reimbursement. The Renaissance Zone Act (Public Act 376 of 1996) provides that public libraries shall be reimbursed for tax revenues lost due to exemption of property under the Act. The Governor, Senate, and House increased funding from \$300,000 to \$428,800.	128,800
8. Economic Adjustments.	359,300
<u>Conference Agreement on Items of Difference</u>	
9. The Senate removed FTE designations for line items. The House restored the FTE listing (140.0 FTE). The Conference Committee concurred with the Senate.	0
Total Changes	\$1,728,300
FY 1999-2000 Conference Report Gross Appropriation	\$38,977,400
Amount Over/(Under) GF/GP Target: \$0	

Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

There are no changes in the Executive Recommendation, Senate, and House versions to current year boilerplate language for the Library of Michigan.

Date Completed: 6/16/99

Fiscal Analyst: B. Bowerman

FY 1998-99 Year-to-Date Gross Appropriation	\$133,640,200
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Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

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| 1. Building Occupancy Adjustment. The Governor, Senate, and House recommended a gross increase in building occupancy charges. The Department of Management and Budget will close the Hosmer warehouse – a warehouse used for surplus storage. The Department will maintain the old YWCA building. The Hosmer warehouse transaction reduces the gross appropriation by \$606,000, while the YWCA occupancy charges increase the gross appropriation by \$645,000. | 38,900 |
| 2. Statewide Cost Allocation Plan (SWCAP). This is a mechanism by which the State identifies and allocates costs incurred for a joint purpose that benefits more than one program or function. The Governor, Senate, and House budgets reflected operating and program adjustments for the Department including restricted fund adjustments to reflect the most recent SWCAP adjustments. These adjustments reduce GF/GP by \$1,470,000. | 54,300 |
| 3. Statewide Land Database. The Governor, Senate and House requested GF/GP funding to complete the design and implementation of the Statewide Land Database. | 550,000 |
| 4. Department of Transportation – Act 51 Compliance. Statutory language contained in Public Act 51 of 1951, as amended, requires the phase-out to certain departments of Michigan Transportation Fund (MTF)-supported interdepartmental grants by FY 2000-01. The Governor, Senate, and House recommended replacing MTF funding in the Department of Management and Budget with General Fund support. These adjustments shift \$340,900 from interdepartmental grant to GF/GP. | 0 |
| 5. Unclassified Salaries. The budget included a 3% increase for the line item that funds 6.0 FTE unclassified positions in the Department of Management and Budget. The recommendation increased the appropriation for the unclassified positions line from \$500,700 to \$515,700. | 15,000 |
| 6. Economic Adjustments. | 2,807,700 |
| 7. Other Changes. The Governor, Senate, and House included increases for ongoing costs for the Michigan Geographic Framework (\$150,000), State Building Authority staff (\$125,000), and other miscellaneous adjustments. | 294,700 |

Conference Agreement on Items of Difference

None.

Total Changes	\$3,760,600
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FY 1999-2000 Conference Report Gross Appropriation	\$137,400,800
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

1. **Contingency Funds.** The Governor's recommendation removed local and private funds from contingency fund appropriations. The Senate and House concurred with the Governor. (Sec. 700)
2. **Reporting Requirements.** The Governor's recommendation removed the reporting requirements on training and orientation workshops expenditures, quarterly MAIN billing statements, and for Child Support Enforcement System expenditures. The Senate concurred with the Governor on quarterly MAIN billing statements. The Senate restored reporting for training and workshop expenditures, and Child Support Enforcement System. The House included language on submission of quarterly MAIN billing statements. The House concurred with the Senate on restoration of Training and Workshop expenditures and Child Support Enforcement language.
3. **Services to Departments and Legislature.** The Governor's recommendation adds the judicial branch to language that authorizes the Department of Management and Budget to perform specific functions for other departments and the Legislature. The Senate and House concurred with the Governor. (Sec. 703)
4. **Per Diem Amounts.** The Governor's recommendation increases per diem amounts from \$35 to \$50 for the Judges Retirement Board, the Public School Employees Retirement Board, and the State Police Retirement Board. The Executive recommendation removes the amount for the State Employees Retirement Board because that per diem is set by statute. The Senate and House concurred with the Governor. (Sec. 708)
5. **Computer Contract Revisions.** The Governor's recommendation removed the provision requiring the department to notify the Legislature of contract revisions exceeding \$500,000. The Senate and House included this boilerplate. (Sec. 713)
6. **State Sponsored Group Insurance, Flexible Spending Accounts, and COBRA Fund.** The Governor removed the language that unused funds shall lapse to the Healthy Michigan Fund unless prohibited by Federal law. The Senate and House concurred with the Governor. (Sec. 714)

Conference Agreement on Items of Difference

7. **Reporting Requirements.** The Conference Committee removed language requiring the Department to submit quarterly MAIN billing statements to the Legislature and principal executive departments.
8. **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. The Conference Committee included modified language and changed the date for acceptance to not less than 14 days.
9. **Feasibility Study.** The House and Conference Report 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: 6/16/99

Fiscal Analyst: E. Limbs



FY 1998-99 Year-to-Date Gross Appropriation	\$170,157,900
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Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

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| 1. Unclassified Salaries. The budget includes an increase from \$431,600 to \$444,500. This change reflects a 3% increase over the current fiscal year. | 12,900 |
| 2. Repeat Offender Legislation. The Governor requested \$1,240,000 GF/GP and 15.4 FTE's for first-year ongoing costs for the implementation of the program. The Senate and House included \$2,479,000 GF/GP and 30.7 FTE's for the program. | 2,479,000 |
| 3. Document Management System. The Governor included funds to complete the final two phases of the technology improvements for the Department's document management system. The Senate and House concurred with the Governor. | 1,600,000 |
| 4. Social Security Number Verification. Public Act 330 of 1998 was enacted in response to the Federal Illegal Immigration Reform and Immigrant Responsibility Act of 1996. The Governor requested funds for start-up costs to implement the verification process. The Senate and House concurred with the Governor. | 1,712,200 |
| 5. Lighthouse Program. The Senate and House included GF/GP funds for administration and grants to preserve lighthouses in Michigan. | 150,000 |
| 6. State Tax Credit. The Senate and House included 1.0 FTE for administration of a program to determine eligibility for a State tax credit for historic sites. | 70,000 |
| 7. Economic Adjustments. | 5,446,400 |
| 8. Other Changes. The budget includes funds for the design, creation, and distribution of new snowmobile registration number decals (\$42,000), and base reductions for staffing realignments. | (113,100) |

Conference Agreement on Items of Difference

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| 9. Public Act 51 Compliance. A shift from the General Fund of \$7,962,900 to MTF is requested by the Governor. The Senate concurred with the Governor's recommendation. The House replaced MTF money with GF/GP money. The Conference Committee concurred with the Governor and the Senate. | 0 |
| 11. Military and Space Museum. The House included \$71,200 to enable the museum to have electronic records of artifacts held by the museum. Pursuant to the Leadership Agreement, these funds were transferred to House Bill 4075, an FY 1998-99 supplemental. | 0 |
| 12. Assigned Claims. The Conference Committee made a technical adjustment in funding reducing GF/GP appropriation by \$100. | 0 |

Total Changes	\$11,357,400
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FY 1999-2000 Conference Report Gross Appropriation	\$181,515,300
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Amount Over/(Under) GF/GP Target: \$(100)



Changes from FY 1998-99 Year-to-Date:

Items Included by the Senate and House

1. **Contingency Funds.** The Governor's recommendation increases local contingency funds and private contingency funds authorization to \$50,000 and \$100,000 respectively. The Senate and House concurred with the Governor. (Sec. 800)
2. **Federal Funds for Historic Site Preservation.** The Governor's recommendation revises language on method used to accomplish work projects. The Senate and House restored modified current-year language. (Sec. 804)
3. **Gift, Donations, and Contributions.** The Governor removed reporting requirement for receipts and expenditures of gifts, donations, and contributions. The Senate and House restored the reporting section. (Sec. 805)
4. **State Tax Credit.** The Governor included language that provides for funds collected to process applications for the eligibility for State tax credits. Because the Senate included funding and a position for this function, this language was removed by the Senate. The House concurred with the Senate.
5. **Lighthouse Program.** The Senate and House included new language providing criteria for the Lighthouse Program. (Sec. 813)

Conference Agreement on Items of Difference

6. **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. The Conference Committee concurred with the House language. (Sec. 818)
7. **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. The Conference Committee concurred with the House.(Sec. 820)
8. **Designation of Property as Historic Site.** The Governor included language that establishes an application fee for applications to designate property as a historic site. The language provides that the fees be deposited into a revolving fund. The Senate concurred with the Governor. The House modified language by eliminating use of funds for education programs. The Conference Committee concurred with the House. (Sec. 819)
9. **Military and Space Museum Grant.** The Governor removed language authorizing the one-time grant to the Military and Space Museum. The Senate concurred with the Governor. (Sec. 817 in current year) The House included current-year language. The Conference Committee removed the language. Pursuant to the Leadership Agreement, funds for this program were transferred to House Bill 4075, an FY 1998-99 supplemental.
10. **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. The Conference Committee removed the language.

Date Completed: 6/16/99

Fiscal Analyst: E. Limbs



FY 1998-99 Year-to-Date Gross Appropriation	\$1,758,639,200
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Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

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|---|-----------|
| 1. Unclassified Salaries. The budget includes an increase from \$726,200 to \$748,600. This change reflects a 3% increase over the current fiscal year. | 21,800 |
| 2. Tax Technology Investment Plan. The budget includes funding for the second phase of the Tax Technology Investment Plan to improve tax collection technology. The total projected cost of the project is \$73,000,000. | 5,000,000 |
| 3. Casino Gaming Oversight. The budget includes funding and 14.0 FTE's to cover the full-year costs of oversight and control of the casino gaming operations. | 3,906,500 |
| 4. Economic Adjustments. | 4,215,100 |
| 5. Other Changes. The budget also includes additional funding for the cigarette stamping program, administration to meet due process notification requirements, resources to perform audits of county road commission funds, increase in convention facility grant distribution, funding for software to enhance retirement funds management, and other technical adjustments. | 7,133,000 |

Conference Agreement on Items of Difference

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| 6. Michigan Merit Award Trust Fund Commission. 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. The Conference Committee concurred with the Governor. | 2,000,000 |
| 7. Constitutional State General Revenue Sharing Grants. The budget includes an increase based on the May revenue estimating conference. | 27,830,000 |
| 8. Statutory State General Revenue Sharing Grants. The budget includes an increase based on the May revenue estimating conference. | 53,970,000 |
| 9. Special Census Revenue Sharing Grants. The Governor recommended an increase from \$5,500,000 to \$6,500,000. The Senate added \$500,000 based on current projections. The House removed the Senate increase. The Conference Committee concurred with the House. | 1,000,000 |
| 10. Lottery Promotion & Advertising. The Senate included an increase of \$3,200,000 over the Governor's recommendation. The House rejected the increase. The Conference Committee included a \$2,000,000 increase over the Governor. | 2,000,000 |

Total Changes	\$107,076,400
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FY 1999-2000 Conference Report Gross Appropriation	\$1,865,715,600
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 1998-99 Year-to-Date:Items Included by the Senate and House

1. **Contracting with Environmental Research Institute of Michigan.** The Governor's recommendation removed language allowing departments to contract with the Institute for research and development activities. The Senate and House concurred with the Governor. (Sec. 915 in current year)
2. **Report on Investments.** The Governor's recommendation removes a requirement for reporting on investments, including derivatives, held by the Michigan Employees Retirement System. The Senate and House concurred with the Governor. (Sec. 927 in current year)
3. **Tax Technology Investment Plan.** The Governor's recommendation includes language providing for the Technology Investment Plan and providing the unexpended appropriations become work project appropriations. The Senate and House clarified the source of the work project. (Sec. 928)
4. **Advertising Prohibition - Lottery.** The Governor's recommendation removes language prohibiting appropriation for State Lottery from being used toward promotional efforts directed towards individuals under 18. The Senate and House included the language. (Sec. 970)
5. **Association of Amateur Athletes with Lottery.** The Governor's recommendation removes language prohibiting appropriations for State Lottery from being used for the purpose of associating amateur or professional sports figures with the lottery. The Senate and House included the language. (Sec. 972)
6. **Federal Fuel Dye Program.** The Senate and House included language requiring a report on State implementation of the Federal Fuel Dye System Program. (Sec. 934)

Conference Agreement on Items of Difference

7. **Management of Retirement Funds.** The Governor's recommendation changes language that provides funds for the prudent management of retirement funds' international investment portfolios. The new language removed the limitation to management of international portfolios. The Senate concurred with the Governor. The House rejected the change. The Conference Committee included modified language with "international" removed from the boilerplate section. (Sec. 903)
8. **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. The Conference Committee removed the language. (Sec. 935 in House)
9. **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 and Conference Committee concurred with the Governor. (Sec. 932)
10. **Revenue Sharing.** The Governor's recommendation included language that does not include counties for the purposes of reductions to statutory revenue sharing. The Senate returned to current-year language. The House and Conference Committee concurred with the Governor. (Sec. 959)
11. **Sunday Drawing.** The Governor removes language prohibiting funds from being used to conduct a drawing held on Sunday. The Senate concurred with the Governor. The House and Conference Committee included the language. (Sec. 973)

Date Completed: 6/16/99

Fiscal Analyst: E. Limbs

