

Senate Fiscal Agency
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Senate Bill 1103 (S-1 as reported)

Committee: Appropriations

FY 2001-02 Year-to-Date Gross Appropriation	\$995,124,900
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Changes from FY 2001-02 Year-to-Date:

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| 1. Restoration of Unclassified Salaries. The budget restores the reduction from Executive Order 2001-9 to the Unclassified Salaries line item. | 150,000 |
| 2. Increased Federal Administration Funding. The budget recommendation includes several large increases in administrative funding for IDEA (special education) and ESEA reauthorization, with partial offsetting decreases in Goals 2000 administration funding. | 7,949,700 |
| 3. Transfer of Federal Grants to K-12. The Governor's budget transferred all Federal grants to the School Aid budget. The Senate restores 5 grants that are in their last year of funding. | (790,407,900) |
| 4. Economic, Lump Sum, and Sick Leave Adjustments. The budget includes positive economic adjustments, elimination of \$375 lump-sum payments, and elimination of sick leave payouts from the 1997 Early Retirement package. | 205,600 |
| 5. Revenue Source Shift for the Michigan Schools for the Deaf and Blind (MSDB). The budget recommends replacing all GF/GP funding supporting the MSDB with Federal special education dollars. The Department anticipates no problems with this revenue source shift. | 0 |
| 6. Elimination of Technical Resource and Reproduction Center. The budget eliminates this Federally and Locally funded program, which will instead be funded by a direct special education Federal grant. No change in services provided is anticipated. | (1,250,000) |
| 7. Roll-Up of Several MSDB Lines. Funding appropriated for Camp Tuhsmeheeta, Private Gifts for the Blind, and Private Gifts for the Deaf are proposed to be rolled into the MSDB Operations line item. | 0 |
| 8. Teacher Quality Enhancement Grant. The budget eliminates the "placeholder" for this line item, since the State did not receive this grant. | (1,000) |
| 9. School Breakfast Program. The budget recommends an increase in funding for the State's School Breakfast Program to cover the increased costs and numbers of breakfasts served. | 946,900 |
| 10. Information Technology (IT) Operations. The budget proposes to reduce Federal authorization funding levels in the IT Operations line for IT services that are no longer needed. | (1,863,200) |
| 11. Other Changes. Miscellaneous changes in the proposed budget include offsetting decreases in various lines to fulfill the reductions required in E.O. 2001-9 and an increase in Special Education Operations to fund another auditor at \$95,100. | (54,900) |
| 12. Comparison to Governor's Recommendation. The Senate recommendation is \$120,904,100 Gross (Federal) and \$0 GF/GP over the Executive recommendation. | |

Total Changes	(\$784,324,800)
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FY 2002-03 Senate Appropriations Committee Gross Appropriation	\$210,800,100
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Changes from FY 2001-02 Year to Date:

1. **Office for Safe Schools.** The budget increases the allocation to fund this office from \$200,000 to \$225,000, and eliminates a subsection requiring the Office to work with the State Police to establish a toll-free school violence hotline since it has already been established. (Sec. 211)
2. **Special Education Auditors.** The budget includes new language allocating funds from Part 1 to support two special education auditors to audit school districts. (Sec. 213)
3. **User Fees for Department of Information Technology (DIT).** The budget includes a new section requiring the Department to pay user fees to the DIT for technology related services and projects. (Sec. 214)
4. **Information Technology (IT) Work Projects.** The budget includes a new section stating that IT appropriations may be designated as work projects and carried forward to support technology projects under the direction of the DIT. (Sec. 215)
5. **Receive and Retain Reports Funded Through Appropriations.** The Governor eliminated this section, requiring the Department to receive and retain reports funded through appropriations. The Senate retained the section. (Sec. 216)
6. **Privatization Plans.** The Governor eliminated this section, requiring the submission of project plans before beginning attempts to privatize. The Senate retained the section. (Sec. 217)
7. **Buy American/Depressed and Deprived Communities.** The Executive budget eliminates these sections, requiring the Department to purchase American-made products, and to encourage business in depressed and deprived communities. The Senate retained the sections. (Sec. 218 and Sec. 219)
8. **Personal Service Contracts Reports.** The Governor eliminated this requirement that the Department report on the number and types of personal service contracts awarded without competitive bidding. The Senate retained the section. (Sec. 222)
9. **Special Education Quality Assessment Panel and School Health Services Consultant.** The budget eliminates two sections allowing the Department to allocate funds to support these services.
10. **Report on Restricted Fund Balances.** The budget eliminates this section, requiring the Department to report on FY 2001-02 restricted fund balances, projected revenues, and projected expenditures.
11. **Per Diem Payments to the State Board and State Tenure Commission.** The budget reduces the number of days members of these boards can be reimbursed, from 30 to 24. (Sec. 301)
12. **Michigan School for the Blind (MSB) Superintendent's House.** The budget removes a subsection prohibiting the Department from declaring the Superintendent's house at the MSB as surplus property. (Sec. 403)
13. **Reclassification of Michigan Schools for the Deaf and Blind (MSDB) Employees Study.** The budget eliminates a subsection requiring the Department of Civil Service to conduct a review of all positions within the MSDB and consider appropriate reclassifications. (Sec. 404)
14. **National Board Certification Grants.** The Governor's budget changes language in this section from "shall pay one-half of the application fee" to "may pay one-half of the application fee". The Senate retains the "shall pay" language. (Sec. 704)
15. **Compliance with School Aid Act for Ages 0-5 Funding.** The budget eliminates a section requiring Federal, State, or Local funding for early childhood programs be in agreement with the comprehensive community plan created to meet the requirements of the K-12 Parent Involvement and Education grants.
16. **\$1,000 Earmark to Grand Valley State University for Autism Programs and Services.** The budget eliminates this section earmarking \$1,000 from Special Education Operations to fund autism programs and services at GVSU.

Date Completed: 2-28-02

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