

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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FY 2000-01 Year-to-Date Gross Appropriations	\$929,493,300
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Changes from FY 2000-01 Year-to-Date:

Items Included by the House and Senate

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| 1. Michigan School for the Blind Former Site. The Governor's budget removed all funding for this appropriation unit, in anticipation of liquidation of the property, declared surplus in December, 1999. The House and the Senate restored funding for the unit. | 0 |
| 2. Michigan Schools for the Deaf and Blind. Funding for this line item is reduced by roughly \$1.7 million in Local revenues to more accurately reflect actual payments from intermediate school districts based on declining enrollments. | (1,701,600) |
| 3. Teacher Quality Enhancement Grant. The House and Senate reduced the appropriation for this Federal grant from \$2.5 million to \$1,000 to reflect the fact that, to date, the Department has not been approved for this grant. | (2,499,000) |
| 4. Economic Adjustments. The House and Senate concurred in proposed adjustments totaling \$1,212,000 Gross, \$424,100 GF/GP. | 1,212,000 |

Conference Agreement on Items of Difference

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| 5. Federal Grants. A total increase of \$70.3 million in Federal grants is anticipated, comprising \$45.7 million for the new Urgent School Renovation program, \$12.2 million additional for School Lunch, \$9.1 million additional for Special Education, \$3 million additional for Charter School Subgrant Program, \$400,000 additional for Competitive Child Care and Development Grants, and \$100,000 additional for School Age Child Care Grants. Current-year funding of \$250,000 GF/GP directed to Grand Valley State University for Autism Certification programs, was eliminated. The Senate included a "placeholder" of \$1,000 for "Unspecified Federal Grants" in anticipation of new Federal grants enacted in the upcoming weeks. The Conference Committee did not include the \$1,000 "placeholder." | 70,288,400 |
| 6. State Grants. The School Breakfast program receives an additional \$1.2 million GF/GP. The Innovative Curriculum Development Grants (\$560,000 GF/GP) and the Innovative Program Demonstration Grants (\$400,000 GF/GP) are not funded in Fiscal Year 2001-02. Motorcycle Safety Education grants receive roughly an additional \$300,000 (motorcycle registration fees). The Senate added \$250,000 GF/GP for Autism Coordinated Services. The Conference Committee did not include the \$250,000 GF/GP for autism programs. | 540,000 |
| 7. Budgetary Savings. The House concurred with the Executive in a budgetary reduction of (\$174,100 GF/GP) equal to 0.5% of salary and wages in the Department. The Senate allocated the savings to various lines, the largest cuts occurring in Central Support (\$75,900) and Office of School Excellence (\$90,400). The Conference Committee concurred with the Senate to spread budgetary savings to various lines, and further spread \$676,600 GF/GP to various lines to meet target reductions. | (850,700) |
| 8. Other Changes. Other changes increase funding by approximately \$195,000. | 194,600 |

Total Changes	\$67,183,700
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FY 2001-02 Enacted Gross Appropriation	\$996,677,000
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Changes from FY 2000-01 Year-to-Date:Items Included by the House and Senate

1. **Hiring Freeze.** The Governor recommended disallowing an exception to the hiring freeze for those positions funded with 80% or more Federal or restricted funds. In addition, the Executive budget expands the justifications for the state budget director to grant exceptions to the hiring freeze. The House and Senate concurred. (Sec. 207)
2. **Privatization Plans.** The Executive deleted this section requiring submission of project plans before attempts to privatize are undertaken. The House and Senate restored the section. (Sec. 208)
3. **"Buy American".** Deleted by the Executive, retained by the House and Senate. (Sec. 210)
4. **Personal Service Contracts.** Deleted by the Executive which requires the reporting of personal service contracts awarded without competitive bidding under certain conditions. Retained by the House and Senate. (Sec. 218)
5. **Depressed and Deprived Communities.** The Governor deleted this section requiring reasonable steps be taken to encourage business in depressed/deprived communities. Retained by the House and Senate. (Sec. 211)
6. **The Emergency Food Assistance Program (TEFAP).** The Executive deleted this section which requires the Department to continue the TEFAP program as it currently exists. Retained by House and Senate. (Sec. 217)
7. **State Board Per Diems.** The House and Senate increased the maximum number of per diem days from 24 to 30. (Sec. 301)

Conference Agreement on Items of Difference

8. **Office for Safe Schools.** The Governor's budget removed a \$200,000 earmark to fund the Office, and deleted several directives (e.g., evaluation, distribution of model codes of conduct) to the Office. The House retained current law, and earmarked \$50,000 out of the existing budget to advertise the toll-free school violence hotline. The Senate retains current law (did not adopt the \$50,000 earmark). The Conference Committee concurred with the House. (Sec. 215)
9. **Draft Special Education Rules/CEPI.** The Executive recommended removing this section, which required the Department to provide drafts of changes in proposed special education rules to various parties. The House replaced the section with language that directs the Department to reimburse school districts out of Sec. 94a of the School Aid Act for the implementation of database for educational performance and information (DEPI), which is run by the Center for Educational Performance and Information. The reimbursement would equal \$2.50 per student to each district. The Senate deletes the section. The Conference Committee modifies the House's language to state that districts may seek reimbursement for net costs incurred, capped at \$2.50 per student. (Sec. 221)
10. **Comprehensive Community Plans.** The House included a new section which requires districts that apply for new ages 0-5 Federal, State and Local funding to be in agreement with their comprehensive community plans. The Senate modified the language to apply to new State funding only, and the Conference Committee concurred. (Sec. 707)
11. **Unexpended Autism Teacher Certification Funds.** The House included a new section which states that any unexpended autism teacher certification funds will be carried forward to the succeeding fiscal year, rather than lapsing to the general fund. The Senate concurred, and further directs the Department to continue to work with GVSU to enhance its autism certificate teacher training program. The Conference Committee concurred with the Senate. (Sec. 708)

Date Completed: 07-26-01

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