

Summary: Conference Report
STATE POLICE FY 2003-04
Senate Bill 277 (H-1) CR-1**

Replaces summary of Senate Bill 277 (H-1) CR-1 dated 6/25/03*



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Budget Overview

The Department of State Police provides a wide range of law enforcement services—including highway patrol, criminal investigations, forensic sciences, motor carrier enforcement, emergency management, highway safety planning, fire investigation and education, criminal justice data processing, and various specialized law enforcement services. The department's responsibilities also include oversight of law enforcement standards in the state, through the Michigan Commission on Law Enforcement Standards, and administration of several law enforcement-related grant programs. In FY 2002-03, Uniform Services—which constitutes the department's road patrol presence—accounts for roughly 40 percent of the department's Gross budget and 54 percent of its GF/GP budget.

Summary of Major Budget Issues

Driver's License Fee Revenue/Trooper School – The **Executive Recommendation** included \$36.4 million in new restricted revenue from a proposed increase in driver's license fees (\$23.7 million) and a proposed diversion of fee revenue from the Transportation Economic Development Fund (\$12.7 million). These funds would offset a \$31.4 million GF/GP reduction to the At-Post Troopers line item, leaving a net \$5.0 million increase for the costs of conducting a 100-recruit trooper school beginning in April 2004. The **Senate** included \$2.5 million less in new restricted revenue (leaving a smaller, \$2.5 million net increase). The **House** concurred with the higher level of funding in the Executive Recommendation and included new boilerplate language stating intent that \$5.0 million be statutorily transferred from the Auto Theft Prevention Fund to fund the costs of a trooper school. The **Conference Report** reflects the Executive/House funding level, but restores \$16.4 million GF/GP—retaining \$20.0 million in restricted funds.

Highway Safety Fund – The **Senate** offset an additional \$6.3 million GF/GP with restricted revenue from proposed assessment increases for the Highway Safety Fund (which is used to offset a portion of trooper costs). The **House** concurred, as does the **Conference Report**. This adjustment offsets the same amount of GF/GP funds as the Executive Recommendation's proposal for a new property insurance assessment to fund Fire Marshal, Fire Fighters Training Council, and related costs (proposal not adopted by Senate or House).

FY 2003-04 Recommendations

| | FY 2002-03 YTD (as of 3/6/03) | Executive | Senate | House | Conference | Difference: Conf. to 2002-03 YTD | |
|-------------------|--|----------------------|----------------------|----------------------|----------------------|---|-------------|
| | | | | | | Amount | % |
| IDG/IDT | \$19,282,800 | \$17,882,800 | \$17,882,800 | \$17,885,100 | \$17,885,100 | (\$1,397,700) | (7.2) |
| Federal | 45,570,500 | 55,292,300 | 55,292,300 | 103,892,300 | 103,892,300 | 58,321,800 | 128.0 |
| Local | 3,913,700 | 4,506,600 | 4,506,600 | 4,506,600 | 4,506,600 | 592,900 | 15.1 |
| Private | 0 | 0 | 0 | 10,000 | 10,000 | 10,000 | -- |
| Restricted | 59,816,900 | 103,363,400 | 100,863,400 | 103,363,400 | 86,963,400 | 27,146,500 | 45.4 |
| GF/GP | 277,389,448 | 231,241,500 | 231,241,500 | 231,238,600 | 247,641,500 | (29,747,948) | (10.7) |
| Gross | \$405,973,348 | \$412,286,600 | \$409,786,600 | \$460,896,000 | \$460,898,900 | \$54,925,552 | 13.5 |
| FTEs | 3,448.5 | 3,337.5 | 3,337.5 | 2,990.0 | 2,990.0 | (458.5) | (13.3) |

| <u>Major Budget Changes from FY 2002-03 YTD Appropriations:</u> | | <u>YTD</u> <u>FY 2002-03</u> | <u>Conference</u> <u>Change</u> |
|---|--------------|---------------------------------|------------------------------------|
| 1. At-Post Troopers — Driver’s License Fee Revenue | Gross | \$110,120,500 | \$5,000,000 |
| Executive Recommendation included \$36.4 million in new restricted revenue from a proposed increase in driver’s license fees (\$23.7 million) and a proposed diversion of fee revenue from the Transportation Economic Development Fund (\$12.7 million). These funds would offset a \$31.4 million GF/GP reduction to the At-Post Troopers line item, leaving a net \$5.0 million increase for the costs of conducting a 100-recruit trooper school beginning in April 2004. Senate included \$2.5 million less in new restricted revenue. House concurred with Executive Recommendation of \$36.4 million in new restricted revenue. Conference Report concurs with Executive/House funding level, but restores \$16.4 million GF/GP—retaining \$20.0 million in new restricted funds. (Restricted revenue assumptions not explicit in budget bill. Also, see boilerplate section 218.) | Restricted | 8,423,200 | 20,000,000 |
| Executive: \$5,000,000 [negative \$31,400,000 GF/GP] | GF/GP | \$101,697,300 | (\$15,000,000) |
| Senate: \$2,500,000 [negative \$31,400,000 GF/GP] | | | |
| House: \$5,000,000 [negative \$31,400,000 GF/GP] | | | |
| 2. At-Post Troopers — Unfilled Positions | Gross | \$110,120,500 | (\$2,872,000) |
| Executive Recommendation reduced the At-Post Troopers line item to reflect 50 unfilled trooper positions. Senate and House concurred. Conference Report also concurs. | Restricted | 8,423,200 | 0 |
| Executive: (\$2,872,000) | GF/GP | \$101,697,300 | (\$2,872,000) |
| Senate: (\$2,872,000) | | | |
| House: (\$2,872,000) | | | |
| 3. At-Post Troopers — Highway Safety Fund | Gross | \$110,120,500 | (\$1,423,200) |
| Executive Recommendation decreased authorization for restricted funding from current \$5 traffic citation assessment for trooper costs by \$1.4 million (carry forward revenue was expended in FY 2001-02 under the higher authorization amount). Senate and House concurred. Conference Report also concurs with this adjustment. Senate included \$6.3 million in additional revenue from proposed \$5 increase in assessments under Judiciary revenue proposal (traffic citations and less serious misdemeanors), with offsetting reduction in GF/GP funds. House concurred. Conference Report concurs with Senate/House. | Restricted | 8,423,200 | 4,861,500 |
| Executive: (\$1,423,200) [no change GF/GP] | GF/GP | \$101,697,300 | (\$6,284,700) |
| Senate: (\$1,423,200) [negative \$6,284,700 GF/GP] | | | |
| House: (\$1,423,200) [negative \$6,284,700 GF/GP] | | | |
| 4. Property Insurance Assessment | Gross | NA | \$0 |
| Executive Recommendation included \$6.3 million in new restricted revenue from a proposed assessment on homeowners, farmowners, and commercial property insurance. These funds would completely replace GF/GP appropriations for the Fire Marshal (\$3.8 million), the Fire Fighters Training Council (\$1.3 million), and Fire Investigation Training to | Restricted | NA | 0 |
| | GF/GP | NA | \$0 |

| | | YTD FY 2002-03 | Conference Change |
|---|--------------|---------------------------|------------------------------|
| <u>Major Budget Changes from FY 2002-03 YTD Appropriations:</u> | | | |
| Locals (\$50,500) and partially replace GF/GP appropriations in six other line items, correlating to various costs related to the Fire Marshal and training council (total of \$1.1 million). Senate and House did not reflect new revenue, instead retaining GF/GP funds. Conference Report concurs with Senate/House. | | | |
| Executive: \$0 [negative \$6,284,700 GF/GP] | | | |
| Senate: \$0 [no change GF/GP] | | | |
| House: \$0 [no change GF/GP] | | | |
| 5. Vacancy Savings | Gross | NA | (\$2,317,600) |
| Executive Recommendation reflected annualized savings from vacant position adjustments and other reductions made in the FY 2002-03 budget as part of EO 2003-3. Senate and House concurred. Conference Report also concurs. | GF/GP | NA | (\$2,317,600) |
| Executive: (\$2,317,600) | | | |
| Senate: (\$2,317,600) | | | |
| House: (\$2,317,600) | | | |
| 6. Early Retirement Adjustments | Gross | NA | (\$1,116,500) |
| Executive Recommendation reflected two types of adjustments related to 2002 early retirement package: (1) removal of funds for one-time leave payouts and (2) annualization of savings for Oct. 2002 retirees. Senate and House concurred. Conference Report also concurs. | GF/GP | NA | (\$1,116,500) |
| Executive: (\$1,116,500) | | | |
| Senate: (\$1,116,500) | | | |
| House: (\$1,116,500) | | | |
| 7. Information Technology Reduction | Gross | \$20,885,748 | (\$2,127,148) |
| Executive Recommendation reduced funds appropriated as IDG to Department of Information Technology for information technology services. Senate and House concurred. Conference Report also concurs. | IDG | 105,300 | 0 |
| | Federal | 29,600 | 0 |
| | Local | 2,068,600 | 0 |
| | Restricted | 14,200 | 0 |
| | GF/GP | \$18,668,048 | (\$2,127,148) |
| Executive: (\$2,127,148) | | | |
| Senate: (\$2,127,148) | | | |
| House: (\$2,127,148) | | | |
| 8. Economic Adjustments | Gross | NA | (\$30,000) |
| Executive Recommendation included economic adjustments for worker's compensation (positive \$310,000) and building occupancy charges (negative \$340,000). Senate and House concurred. Conference Report also concurs. | GF/GP | NA | (\$30,000) |
| Executive: (\$30,000) | | | |
| Senate: (\$30,000) | | | |
| House: (\$30,000) | | | |
| 9. First Responder Grant Funding | Gross | \$5,000,000 | \$55,000,000 |
| Executive Recommendation included \$6.4 million increase to reflect increased federal grant funding for first responder equipment and training. Senate concurred. House included increase of \$55.0 million to reflect additional awards that have more recently become available. Conference Report concurs | Federal | 5,000,000 | 55,000,000 |

| <u>Major Budget Changes from FY 2002-03 YTD Appropriations:</u> | | <u>YTD FY 2002-03</u> | <u>Conference Change</u> |
|---|--------------|----------------------------------|-------------------------------------|
| with House. Executive: \$6,400,000 Senate: \$6,400,000 House: \$55,000,000 | | | |
| 10. Federal DNA Funding | Gross | \$383,200 | \$3,000,000 |
| Executive Recommendation increased federal authorization to allow for the expenditure of potential DNA grant funding. | Federal | 383,200 | 3,000,000 |
| Senate and House concurred. Conference Report also concurs. Executive: \$3,000,000 Senate: \$3,000,000 House: \$3,000,000 | | | |
| 11. Secondary Road Patrol Grants | Gross | \$12,506,600 | \$1,500,000 |
| Executive Recommendation increased authorization for restricted funding from \$10 traffic citation assessment for grant program (assessment consolidated with others under Judiciary revenue proposal). Senate and House concurred. Conference Report also concurs. Executive: \$1,500,000 Senate: \$1,500,000 House: \$1,500,000 | Restricted | 12,506,600 | 1,500,000 |
| 12. LEIN Fees | Gross | \$2,035,600 | \$592,900 |
| Executive Recommendation reflected higher collection levels for Law Enforcement Information Network (LEIN) user fees. Senate and House concurred. Conference Report also concurs. Executive: \$592,900 Senate: \$592,900 House: \$592,900 | Local | 2,035,600 | 592,900 |
| 13. Reimbursed Services | Gross | \$2,117,700 | \$585,000 |
| Executive Recommendation reflected additional revenue from federal and local agencies and other outside entities for reimbursed services. Senate and House concurred. Conference Report also concurs. Executive: \$585,000 Senate: \$585,000 House: \$585,000 | Federal | 519,700 | 200,000 |
| | Restricted | 1,598,000 | 385,000 |
| 14. Forensic Laboratory Fund | Gross | \$1,100,000 | \$400,000 |
| Executive Recommendation increased authorization for restricted funding from \$150 assessment applied in certain criminal court cases (assessment consolidated with others under Judiciary revenue proposal). Senate and House concurred. Conference Report also concurs. Executive: \$400,000 Senate: \$400,000 House: \$400,000 | Restricted | 1,100,000 | 400,000 |

| <u>Major Budget Changes from FY 2002-03 YTD Appropriations:</u> | | YTD FY 2002-03 | Conference Change |
|---|----------------|---------------------------|------------------------------|
| 15. IDG from State Trunkline Fund | Gross | \$7,916,400 | (\$1,400,000) |
| Executive Recommendation removed unexpended authorization increase in IDG from State Trunkline Fund for Motor Carrier Enforcement. Senate and House concurred. Conference Report also concurs. | IDG | 7,916,400 | (1,400,000) |
| Executive: (\$1,400,000) | | | |
| Senate: (\$1,400,000) | | | |
| House: (\$1,400,000) | | | |
| 16. Canine Unit Donations | Gross | \$0 | \$10,000 |
| House added authorization for private donations to department's canine unit (see boilerplate section 1002). Conference Report concurs with House. | Private | 0 | 10,000 |
| Executive: \$0 | | | |
| Senate: \$0 | | | |
| House: \$10,000 | | | |
| 17. FTE Adjustments | FTEs | 3,448.5 | (458.5) |
| Executive Recommendation reduced appropriated full-time equated positions (FTEs) throughout budget in conjunction with various funding reductions. Senate concurred. House made further reductions to more closely reflect current staffing levels. Conference Report concurs with House. | | | |
| Executive: (111.0) | | | |
| Senate: (111.0) | | | |
| House: (458.5) | | | |

Note: House created \$100 points of difference from Senate in all GF/GP line items; \$100 changes are not reflected in figures above.

Major Boilerplate Changes from FY 2002-03:

Sec. 206. Contingency Funds – DELETED

Executive Recommendation retained section appropriating federal, restricted, local, and private contingency funds that can be expended upon legislative transfer to a specific line item. **Senate** deleted selection, with concurrence by **House** and **Conference Report**.

Sec. 210. Appropriation of Unexpended General Funds– NEW/DELETED

Executive Recommendation included new section appropriating up to one-half of the unexpended, unreserved portions of FY 2002-03 general fund appropriations, subject to the approval of the budget director, in order to promote administrative efficiencies. Section not included by **Senate**, **House**, or **Conference Report**.

Sec. 218. At-Post Trooper Strength – RETAINED/MODIFIED

Executive Recommendation deleted section restricting expenditure of funds appropriated for At-Post Troopers to specified trooper-related expenses, calling for one or more trooper schools to be conducted during fiscal year with goal of graduating 110 troopers, and requiring report on Department's plan to accomplish stated goal, including a statement of additional funds necessary if insufficient funding exists. **Senate** retained section, but removed specific graduation goal and added language requiring any savings from a deferred retirement option plan (DROP) for troopers to be used for the costs of a trooper school. **House** modified Senate language to state specific goal of minimum at-post trooper strength of 1,075, direct that a DROP program may be utilized to help achieve that goal, and state intent that \$5.0 million be statutorily transferred from the Auto Theft Prevention Fund to the proposed Traffic Enforcement and Safety

Major Boilerplate Changes from FY 2002-03:

Fund to be expended only for the costs of a trooper school and only to the extent necessary to meet the at-post trooper strength goal of 1,075. **Conference Report** concurs with the House trooper strength goal, includes DROP program language merged from the Senate and House versions, and eliminates the language regarding the Auto Theft Prevention Fund transfer.

Sec. 220. Assistance to Highland Park – RETAINED

Executive Recommendation deleted section directing department to provide general law enforcement assistance to the City of Highland Park until such time such services can be provided by other means.

Senate retained section. **House** concurred with Executive Recommendation. **Conference Report** concurs with Senate.

Sec. 221. Marshall Post – RETAINED

Executive Recommendation deleted section directing funds to be used for the rental costs of a new State Police post in Marshall. **Senate** retained section. **House** concurred with Executive Recommendation.

Conference Report concurs with Senate.

Sec. 301. Michigan Public Safety Communications System (MPSCS) – DELETED

Executive Recommendation removed section requiring expenditure plan for MPSCS, providing for collection and deposit of subscriber fees into General Fund, and requiring reports on fee revenue. (Similar language included in Executive Budget bill for Department of Information Technology [General Government], which is now responsible for maintenance of the system.) **Senate** and **House** concurred.

Conference Report also concurs.

Sec. 802. Emergency Management Network – NEW

House added new section prohibiting department from making any purchases related to a statewide emergency management network unless authorized to do so by the director of the Department of Information Technology. **Conference Report** concurs with House.

Sec. 1002. Private Donations – NEW

House added new section specifying that private donations to department's canine unit be used to enhance operation of unit and stating legislative intent that such donations not supplant general fund appropriations.

Conference Report concurs with House.

Sec. 1202. Motor Carrier Enforcement Appropriations – DELETED

Executive Recommendation deleted section requiring a report on the allocation plan for funds appropriated for motor carrier enforcement. **Senate** retained section. **House** concurred with Executive Recommendation.

Conference Report concurs with Executive/House.

Sec. 1203. (Current Year) Recovery Boat – DELETED

Executive Recommendation deleted section requiring department to station at least one recovery boat in the Upper Peninsula. **Senate** and **House** concurred. **Conference Report** also concurs.

Sec. 1203. (Senate-Passed) Motor Carrier School – NEW/DELETED

Senate added section requiring that, should appropriate federal homeland security funding become available, the department conduct a motor carrier officer school with a minimum of 20 candidates, of which seven would be assigned to the second district (Southeast Michigan). Section not included by **House**. **Conference Report** concurs with House.

Sec. 1651. Homeland Security Funds (Adopted in Public Act 746 of 2002) – DELETED

Executive Recommendation deleted section stating legislative intent that up to 10 percent of federal funds received by the state for homeland security equipment grants be allocated for construction of an upgraded Detroit crime lab. **Senate** and **House** concurred. **Conference Report** also concurs.