



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

FY 2003-04 Year-to-Date Gross Appropriation	\$0
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Changes from FY 2003-04 Year-to-Date:

Items Included by the House and Senate

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| 1. Executive Order 2003-18. This E.O. consolidated the former Departments of CIS and DCD and transferred the Michigan Strategic Fund from DMB. | 1,126,994,200 |
| 2. Economic and Other Adjustments. These adjustments include a base adjustment for FY 2003-04 and FY 2004-05, a reduction for anticipated employee-related savings, Human Resource optimization savings, and other economic and spending authority adjustments. | 40,050,400 |

Conference Agreement on Items of Difference

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| 3. Commission for the Blind. Governor recommended a \$425,000 increase in local authorization to maximize Federal funds. The House did not include the local funding but increased GF/GP funding. The Senate concurred with Governor. Conference concurred with Senate. | 425,000 |
| 4. Fire Protection Grants. The Governor proposed fully funding these grants with \$3.7 million in new Liquor Purchase Revolving Fund revenue through a statutory change to increase the mark-up from 65% to 74%. Additionally, \$8.5 million in anticipated revenue from 2003 changes to the Michigan Vehicle Code, which created a Fire Protection Fund, will be used to support these grants. The House concurred. The Senate created a point of difference. Conference funded at \$7.4 million. | (8,628,300) |
| 5. Work First. The Governor proposed replacing \$20,000,000 in US DOL Welfare-to-Work funds and \$66.1 million in Reed Act funding from an FY 2001-02 accounts which is no longer available. The proposal appropriates \$39.9 million GF/GP, \$15.3 million carryforward Reed Act funds from the Unemployment Agency and the Employment Service Agency, and \$10.9 million TANF funding transferred from FIA. The proposal replaces the \$66.1 million negative adjustment made to the line item in FY 2001-02. The House reduced this funding by \$10,000,000 GF/GP. Senate increased TANF by \$10,000,000. Conference concurred with Governor and did a \$1 million shift Federal for GF/GP. | 46,100,000 |
| 6. Job Training Programs Subgrantees. The Governor proposed using Federal Reed Act carryforward revenue for Michigan Works! and increasing by \$15 million Federal. The House concurred with the Reed Act funding. The Senate concurred with the Governor. Conference concurred with Senate. | 21,000,000 |
| 7. Volunteer Investment Grants. The House eliminated funding for these grants. The Senate created an item of difference. Conference concurred with House. | (280,100) |
| 8. Technology Tri-Corridor. The House created two separate line items for the Automotive Initiative and the Homeland Security Initiative, funding each with \$5,000,000 GF/GP. The Senate reduced each line to \$1 million and increased the Life Sciences Initiative by \$5 million. Conference increased by \$15 million for Life Sciences only. | 15,000,000 |
| 9. Michigan Virtual University. Senate created item of difference. Conference did \$1 million fund shift – Federal to GF/GP. | 0 |
| 10. Information Technology. The Senate reduced this appropriation by 7%. Conference reduced by 4%. | (149,100) |
| 11. Michigan Center for Excellence in Manufacturing. The Senate created this new line. Conference funded a feasibility study in the Strategic Fund Administration line. | 100,000 |
| 12. Pre-College Programs. The Senate increased this line. | 180,100 |
| 13. Broadband Authority. The Senate created a new unit and appropriated 10 FTEs. | 1,296,600 |
| 14. Salary and Benefit Savings. Conference included Governor's revised rec. on these reductions. | (223,000) |

Total Changes	1,241,865,600
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FY 2004-05 Conference Report Gross Appropriation	1,241,865,600
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2003-04 Year to Date:Items Included by the House and Senate

1. **Ergonomics.** The House and Senate added language prohibiting funding for ergonomic guidelines. Conference did not include. (Sec. 355)
2. **Commission for the Blind.** The House and Senate added intent language to maximize Federal funds. (Sec. 357)

Conference Agreement on Items of Difference

3. **Standard Language.** Concurred with Target Agreements.
4. **Deleted Sections.** The Governor recommended deleting the following language sections: a) Remote Initial Claims System guidelines for the phone system. House concurred and Senate included. Conference included. b) Low-Income Energy Efficiency Grants report and set aside for CAAs. House included. Senate concurred and added language allocating all funds to Detroit Edison Service Territory. Conference only included report. c) Workers' Compensation Board of Magistrates vacancy. House concurred, Senate included, Conference included. d) Disabled Veteran's Outreach Program Specialist. House concurred, Senate included, Conference included.
5. **Fire Protection Grants.** The Governor changed the language making the \$3.7 million appropriation contingent upon the deposit into the Liquor Purchase Revolving Fund being greater than \$30 million. The House added language requiring the contingency also cover any deficiency in the Fire Protection Fund. The Senate concurred with Governor. Conference allocated \$3.7 million if House Bill 4313 is enacted. (Sec. 347)
6. **Real Estate Licensure.** The Senate added new sections that would allow for on-line courses and grants from the Education fund to set up these courses; intent language regarding 30-day application processing and the issuance of temporary licenses for 60 days; and requiring the creation of a tracking system for Continuing Education Credits. Conference included on-line course and tracking system language. (Sec. 358-360)
7. **Boxing Regulation.** The House added language allocating \$200,000 of the Michigan Promotion funding for administration and regulation. The Senate changed to intent language that additional enforcement responsibilities be funded with fee revenue. Conference combined two sections and allocates funding from the Department. (Sec. 362)
8. **Broadband Authority.** The Senate changed to a report on administrative costs and repayment schedule. Conference concurred with Senate. (Sec. 364)
9. **Work First.** The House added language requiring the Department to develop a Memorandum of Understanding with FIA regarding the TANF funding that is included in FIA budget for this program. Senate did not include and added a work group requirement on education requirements. (Sec. 405)
10. **EDJT.** Senate retained current year 75% for community colleges and reduced match amount to 20%. Conference concurred with Senate. (Sec. 501)
11. **Life Sciences and Technology Tri-Corridor.** The Governor renamed Technology Tri-Corridor; deleted requirement that Indian Casino revenue be used to fund the homeland security and automotive initiative; deleted language allocating funding for basic research and collaborative research; added language stating the primary focus of the initiative is to support a Commercial Development Fund and allocated all of the funding for this purpose. The House concurred with renaming and elimination of reference to the Casino funding, but reinserted basic and collaborative research category language, reinserted \$5 million cap on the Life Science funding for a Commercial Development fund, and allocated a \$2.5 million minimum for each of the Homeland and Automotive initiatives for commercial development. Senate concurred with House but changed \$2.5 million for homeland and auto to \$500,000; inserted reference to Michigan Center for Excellence in Manufacturing (MCEM) and added language that the Steering Committee create a proposal to allow each higher education institution opportunity to serve on a rotating basis. Conference maintained current-year language and added \$1.5 allocation for a core technology alliance and a good manufacturing practice facility. (Sec. 510)
12. **State Clearinghouse on Entrepreneurship.** The Governor proposed new language to set aside \$100,000 from available resources for the creation of this clearinghouse on the Internet. The House concurred. The Senate changed from "available resources" to "Indian Casino revenue". Conference changed to casino revenue or available resources. (Sec. 521)
13. **Michigan Center for Excellence in Manufacturing (MCEM).** The Senate created this initiative in the MSF. Conference changed to feasibility study requirement. (Sec. 522)

Michigan Virtual University. Conference allocated \$1 million GF/GP to support Michigan Virtual High School. (Sec. 428)

Date Completed: 9-8-04

Fiscal Analyst: Maria Tyszkiewicz