



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4438 (as introduced)

Committee: Appropriations

FY 2008-09 Year-to-Date Gross Appropriation	\$95,047,100
Changes from FY 2008-09 Year-to-Date:	
1. Library of Michigan. The Governor transferred the State Library and library grants to the Department of Education budget. This transfer involves \$24.4 million Gross (\$18.8 million GF/GP) and 72.0 FTE positions.	24,388,800
2. Additional Personnel. The Governor added funding and personnel to provide: oversight of the 21 st Century Schools Program (\$250,000 GF/GP and 3.0 FTE) and assistance to districts in deficit (\$70,000 GF/GP and 1.0 FTE).	320,000
3. Alternative Teacher Certification Programs. The Governor eliminated restricted fund earmarks for the Central Michigan University and Wayne State University programs.	(200,000)
4. National Board Certification. The Governor eliminated subsidies for teachers seeking National Board certification.	(100,000)
5. Internal Fund Shifts. The Governor recommended fund shifts between budgetary units to address US Department of Education concerns over the use of Federal funds. The net impact is the addition of \$47,700 GF/GP.	47,700
6. Administrative Efficiencies. The Governor reduced Federal funding in the Office of Educational Assessment and Accountability.	(247,400)
7. Economic Adjustments. The Governor made standard economic adjustments, of which \$57,100 is GF/GP.	821,100
8. Other Changes. The Governor made other adjustments including: increase for annualization of prior year adjustments (\$162,000); statewide Microsoft upgrade (\$69,300); elimination of private rent paid (\$200,000); transfer internal audit funding to DMB (\$100,000); reduction to teacher tenure case funding (\$26,800); shift of Longitudinal Study funding to School Aid budget (\$20,900); reduction in subject area content expectations (\$20,000); reduction in DIT virtual storage costs (\$18,200); DIT economics (\$44,900); and DIT administrative reduction (\$3,900).	(113,300)
Total Changes.....	\$24,916,900
FY 2009-10 Governor's Recommendation.....	\$119,964,000

Changes from FY 2008-09 Year to Date:

1. **Language Removed from All Department Budgets.** The Governor removed language sections from all budgets: IT work projects (Sec 210); hiring freeze (Sec 213); monthly out-of-state travel report (Sec 214); travel by more than one department employee (Sec 215); disciplinary action (Sec 216); legislative data requests (Sec 220); and impact of enacted legislation (Sec 222).
2. **Publication of List of Schools Not Meeting AYP.** The Governor deleted language directing the Department to allow schools or districts to appeal decisions on failure to meet AYP before a list of those schools or districts is published (Sec 211).
3. **Fund Carry-forwards.** The Governor added language allowing unexpended year-end balances in the Gifts, Bequests, and Donations and the Teacher Testing Fees restricted funds to carry forward to the succeeding fiscal year (Sec 407 & 506).
4. **Alternative Teaching Certification Programs.** The Governor removed language related to earmarks for alternative teaching certification programs at Central Michigan University and Wayne State University. Those earmarks were eliminated from the budget (Sec 503).
5. **National Board Certification.** The Governor deleted language concerning the state subsidy for teachers applying for national board certification. The line item was eliminated from the budget (Sec 505).
6. **Library of Michigan - Fee Collection and Expenditure.** The Governor added language appropriating fees collected for specific purposes for expenditures related to those purposes. The new language is similar to language in prior year Department of History, Arts, and Libraries budget bills (Sec 801).
7. **Library of Michigan - Subregional State Aid to Libraries.** The Governor added language concerning local funding support. This language is identical to language in prior year Department of History, Arts, and Libraries budget bills (Sec 802).
8. **Library of Michigan - Subregional Library Budgets.** The Governor added language prohibiting the release of funds for regional or subregional libraries until a budget from those libraries has been approved by the Department. This language is identical to language in prior year Department of History, Arts, and Libraries budget bills (Sec 803).
9. **Library of Michigan - Book Distribution Centers.** The Governor deleted language related to book distribution centers. The program was eliminated from the budget (Sec 607 in FY 08-09 HAL budget).

Date Completed: 2-26-09

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