



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

BILL ANALYSIS

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**Senate Bill 133 (S-1):
FY 2015-16 General Omnibus Appropriation Bill**

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* General Government includes FY 2015-16 appropriations for the following budget areas: Attorney General; Civil Rights; Executive; Legislature; State; Technology, Management, and Budget; and Treasury.

General Omnibus Appropriation Bill Senate Bill 133 (S-1)		
Department/Budget Area	FY 2015-16 Gross Appropriation	FY 2015-16 GF/GP Appropriation
Agriculture and Rural Development	\$81,088,200	\$42,573,600
Attorney General	91,941,600	36,847,400
Civil Rights	16,128,700	12,949,700
Community Health.....	19,013,702,400	3,128,354,300
Corrections	1,961,726,000	1,904,448,400
Education	309,600,400	75,680,400
Environmental Quality	489,263,000	35,377,800
Executive	5,916,100	5,916,100
Human Services	5,720,733,500	973,835,900
Insurance and Financial Services	64,962,700	55,000
Judiciary	285,401,300	184,192,200
Legislative Auditor General	22,840,500	15,460,100
Legislature	136,464,300	131,872,300
Licensing and Regulatory Affairs	539,571,300	24,223,400
Military and Veterans Affairs	163,953,700	48,187,300
Natural Resources	389,644,300	39,522,800
State	235,256,700	27,161,500
State Police	617,531,200	375,973,700
Technology, Management, and Budget	1,258,029,300	468,503,800
Transportation	3,635,722,500	139,521,100
Treasury-Debt Service	156,449,000	156,449,000
Treasury-Operations	533,426,200	120,230,300
Treasury-Revenue Sharing	1,251,661,100	424,100
Treasury-Strategic Fund Agency	1,006,582,500	188,107,000
Total Budget Area Appropriations	\$37,987,596,500	\$8,135,867,200
Budget Stabilization Fund Appropriation.....	\$50,000,000	\$50,000,000
Total General Omnibus Appropriations.....	\$38,037,596,500	\$8,185,867,200

Education Omnibus Appropriation Bill Senate Bill 134 (S-1)		
Department/Budget Area	FY 2015-16 Gross Appropriation	FY 2015-16 GF/GP Appropriation
Community Colleges	\$393,825,600	\$122,710,800
Higher Education.....	1,541,219,200	1,238,913,300
School Aid K-12	13,969,063,900	41,700,000
Total Education Omnibus Appropriations.....	\$15,904,108,700	\$1,403,324,100

	FY 2015-16 Gross Appropriation	FY 2015-16 GF/GP Appropriation
TOTAL GENERAL/EDUCATION APPROPRIATIONS	\$53,941,705,200	\$9,589,191,300



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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	446.0	446.0	0.0	0.0
GROSS	84,052,200	81,088,200	(2,964,000)	(3.5)
Less:				
Interdepartmental Grants Received	318,100	317,300	(800)	(0.3)
ADJUSTED GROSS.....	83,734,100	80,770,900	(2,963,200)	(3.5)
Less:				
Federal Funds.....	10,176,200	10,427,900	251,700	2.5
Local and Private	98,300	128,100	29,800	30.3
TOTAL STATE SPENDING.....	73,459,600	70,214,900	(3,244,700)	(4.4)
Less:				
Other State Restricted Funds.....	28,143,400	27,641,300	(502,100)	(1.8)
GENERAL FUND/GENERAL PURPOSE.....	45,316,200	42,573,600	(2,742,600)	(6.1)
PAYMENTS TO LOCALS	4,750,000	4,750,000	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation.....	\$84,052,200
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Changes from FY 2014-15 Year-to-Date:

- Pesticide and Plant Pest Management Division Increase.** Governor recommended an increase in registration and inspection fees totaling \$1,220,000 restricted to enhance the surveillance of fertilizer and pesticide industry. Senate did not include. 0
- Food Establishments.** Governor recommended an increase in food establishment fees totaling \$1,514,400 restricted and 8.0 FTEs to increase inspections in an effort to improve food establishment compliance to food safety regulations. Senate did not include. 0
- Commercial Feed Inspections.** Governor recommended an increase in inspection fees totaling \$521,400 to enhance inspection activity. The current FY 2014-15 appropriation authority level for this support is adequate for this increase in restricted revenue to be expended. Senate did not include and adjusted fund source for revenue expected. (521,400)
- Geagley Laboratory Improvements.** Governor recommended a one-time appropriation of \$500,000 GF/GP to replace outdated and unsupported equipment at the lab. Senate did not include. 0
- Accounting Service Center.** Governor and Senate recommended \$50,000 GF/GP to fully fund the accounting service center. 50,000
- Commercial Forestry Audit Program.** Governor recommended elimination of \$150,000 GF/GP program. Senate added \$150,000 GF/GP to bring FY 2015-16 appropriations to \$300,000. 150,000
- Rural Development Value-Added Grant Program.** Governor recommended elimination of the \$950,000 GF/GP grant program. Senate provided \$250,000 for FY 2015-16. (700,000)

FY 2015-16 AGRICULTURE AND RURAL DEVELOPMENT BUDGET

8. County Fairs Capitol Improvement Grants. Governor recommended a reduction in funding for the program of \$150,000 GF/GP, leaving the FY 2015-16 level at \$170,000 GF/GP. Senate provided a funding level of \$300,000 for FY 2015-16.	(20,000)
9. Shows and Expositions Grants. Governor recommended the elimination of the \$50,000 GF/GP grants to agricultural exhibitors. Senate provided \$20,000 for FY 2015-16.	(30,000)
10. Removal of FY 2014-15 One-Time Funding. Governor and Senate recommended the elimination of one-time GF/GP funding for Food and Agriculture Industry Growth Initiative (\$2.0 million), Muskegon Farmers Market (\$200,000), and Ottawa County Agriculture Incubator (\$500,000).	(2,700,000)
11. Adjustment for FY 2014-15 Appropriations Actions. Includes Executive Order 2015-5 (\$600,000) and \$190,000 from contingency transfer 2015-2.	410,000
12. Economic Adjustments. Includes a negative \$588,200 Gross and a negative \$329,400 GF/GP for OPEB and \$412,900 Gross and \$228,900 GF/GP for other economic adjustments.	(167,400)
13. Other Changes. Governor and Senate recommended non-GF/GP technical adjustments across various lines to reflect anticipated revenue and expenditure levels.	564,800
14. Comparison to Governor's Recommendation. The Senate is \$3,055,800 Gross under and \$200,000 GF/GP over the Governor.	
Total Changes	(\$2,964,000)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$81,088,200

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Benchmarks.** Senate replaced FY 2014-15 benchmark language with requirement that metrics be established to measure performance of new programs or program increases in excess of \$500,000. (Sec. 205)
2. **Animal Indemnification.** Governor and Senate removed a requirement providing for animal indemnification for certain instances of death by wild animals already in statute. (Sec. 453)
3. **Animal ID.** Governor and Senate removed prohibition of using electronic tags on anything other than cattle. (Sec. 456)
4. **Whole Herd TB Testing.** Governor and Senate eliminated language prohibiting whole herds from being tested more often than every four years or not re-tested until all other county herds have been tested, except under certain circumstances. (Sec. 459)
5. **Conservation Districts.** Governor and Senate eliminated Section which provided guidelines for the allocation of appropriations to conservation districts. (Sec. 603)
6. **Funding Restriction.** Governor and Senate eliminated language prohibiting the use of any other funds for administration or implementation of the Michigan Agriculture Environmental Assurance Program other than what is provided in its line. (Sec. 605)
7. **Strategic Growth Initiative Grant Program.** Governor and Senate amended guideline language by striking Section 711(7) which designated \$250,000 for a Michigan Tech regional partnership project. (Sec. 711)
8. **Thoroughbred Purse Disbursement.** Governor and Senate eliminated language providing for disbursement of thoroughbred purse funds in the event no races are held. (Sec. 803)
9. **One-Time Basis Appropriations Only.** Governor and Senate eliminated language concerning FY 2014-15 one-time appropriations for the Food and Agriculture Industry Growth Initiative grant program. (Sec. 1101)

Date Completed: 4-28-15

Fiscal Analyst: Bruce Baker



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			AMOUNT	PERCENT
FTE Positions.....	3,653.1	3,689.1	36.0	1.0
GROSS	18,050,059,300	19,013,702,400	963,643,100	5.3
Less:				
Interdepartmental Grants Received	9,425,900	9,678,100	252,200	2.7
ADJUSTED GROSS.....	18,040,633,400	19,004,024,300	963,390,900	5.3
Less:				
Federal Funds.....	12,459,869,600	13,488,611,200	1,028,741,600	8.3
Local and Private	355,112,600	213,673,400	(141,439,200)	(39.8)
TOTAL STATE SPENDING.....	5,225,651,200	5,301,739,700	76,088,500	1.5
Less:				
Other State Restricted Funds.....	2,136,944,400	2,173,385,400	36,441,000	1.7
GENERAL FUND/GENERAL PURPOSE.....	3,088,706,800	3,128,354,300	39,647,500	1.3
PAYMENTS TO LOCALS	1,122,966,300	1,125,753,200	2,786,900	0.2

FY 2014-15 Year-to-Date Gross Appropriation	\$18,050,059,300
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Changes from FY 2014-15 Year-to-Date:

- Medicaid and State Children's Health Insurance Program (SCHIP) Match Rate.** Senate reflected \$5.9 million in GF/GP savings from an increase in the Medicaid match rate from 65.54% to 65.60% and \$17.9 million in GF/GP savings from an increase in the SCHIP match rate from 75.88% to 98.92%. 0
- Other Fund Source Adjustments.** Senate reflected expiration of \$62.9 million in Roads and Risks Reserve funding, \$21.2 million in reduced Tobacco Tax revenue, and a \$40.0 million increase in Tobacco Settlement revenue. 0
- Medicaid Base and Caseload.** The budget reflected an increase over the adjusted FY 2014-15 Medicaid base and caseload, as the FY 2014-15 Medicaid base was adjusted downward due to a drop in caseload, at a cost of \$43.1 million GF/GP. 106,163,400
- Medicaid Expansion Base and Caseload.** The Medicaid expansion, also known as the Healthy Michigan Plan, continued to see caseload growth. There is no GF/GP cost as the program is funded with 100% Federal funding through December 31, 2016. 815,762,200
- Changes in Federal Authorization.** Senate reflected changes in Federal grants, in particular a \$15.0 million State Innovation Model grant that would help implement the State's Blueprint for Health Innovation (a \$5.0 million reduction from FY 2014-15) and other smaller Federal grant adjustments. 56,100
- Actuarial Soundness Adjustments.** Senate recognized the Federal requirement that Medicaid managed care rates be actuarially sound. Increases were proposed for behavioral health, physical health, and Medicaid expansion, at a cost of \$38.0 million GF/GP. 170,040,500

FY 2015-16 COMMUNITY HEALTH BUDGET

7. Technical Adjustments to Medicaid and Other Payments. Senate included adjustments to reflect increased public clinic adjustor payments, changes to special payments to State psychiatric hospitals, and the annualization of Medicaid primary care rates.	4,199,300
8. Programmatic Reductions and Savings Initiatives. Senate disagreed with Governor's carve-out of pharmaceutical services but recognized savings from a sole formulary for managed care (savings \$16.8 million GF/GP), reduced managed care lab reimbursement (savings \$9.4 million GF/GP), transferred responsibility for many health and wellness and Mental Health and Wellness Commission programs to the Health Endowment Fund (savings \$4.9 million GF/GP), and assumed increased third party liability and Inspector General savings due to new staff (net savings \$11.8 million GF/GP).	(153,056,100)
9. Program Enhancements. Senate proposed expanding Healthy Kids Dental to children in Kent, Oakland, and Wayne Counties effective July 1, 2016 (cost \$5.6 million GF/GP), increasing adult dental reimbursement effective September 1, 2016 (cost \$2.6 million GF/GP), continuing the FY 2014-15 increase in Community Mental Health non-Medicaid funding, expanding Medicaid autism services to age 21 (cost of \$2.5 million GF/GP), creating an ambulance Quality Assurance Assessment Program (QAAP), reinstating hospice room and board payments (cost of \$3.4 million GF/GP), and creation of a value-added disproportionate share hospital pool (cost of \$1.0 million GF/GP).	83,536,400
10. Change in How Facility Purchase of State Services (POSS) is Recognized. Senate transferred POSS funding from the Behavioral Health unit to the State facility line items. Instead of the State share of facility costs being provided to CMHs, the money would be reflected in the individual facility line items. While this adjustment leads to an ostensible reduction in Gross funding, the change would lead to the money only being reflected in the budget once; there would be no change in the money spent on State facilities or the level of services provided.	(139,465,600)
11. Statutory Changes to HICA. Governor proposed eliminating the cap on combined HICA and net GF/GP Use Tax revenue (GF/GP savings of \$17.3 million). Governor proposed increasing HICA rate from 0.75% to 1.3% (GF/GP savings of \$162.8 million). Both changes would require legislation. Senate did not reflect these assumed changes.	0
12. Hospital Funding Changes. Senate rejected Governor's proposal to increase the hospital QAAP to supplant GF/GP used to support graduate medical education (GME) and the rural/sole community hospital pool. Senate restored FY 2014-15 Executive Order cuts to GME and the rural/sole pool (cost of \$7.0 million GF/GP). Senate rejected Governor's proposals to change calculation of hospital capital payments and to eliminate the obstetric/gynecology hospital funding pool. Senate increased QAAP by \$85.2 million and used that funding to help offset \$55.9 million in GF/GP costs, with the remainder of the money (\$29.3 million QAAP and \$55.9 million Federal match) used to increase hospital provider rates by \$85.2 million to offset the cost of the QAAP increase.	105,555,600
13. One-Time Funding. Senate included \$500,000 apiece for five University autism centers, retained funding for a bone marrow registry, and included placeholder funding for other programs. Senate removed current year funding for mental health commission recommendations, autism services, the University of Detroit dental clinic, a Healthy Kids Dental computerization project, child and adolescent health funding, the statewide trauma system, and the Senior Olympics.	(25,454,600)
14. Economic Adjustments. Includes a negative \$4,076,500 Gross and a negative \$2,216,600 GF/GP for OPEB and \$3,469,000 Gross and \$1,984,500 GF/GP for other economic adjustments.	(607,500)
15. Other Changes.	(3,086,600)
16. Comparison to Governor's Recommendation. The Senate is \$42,097,400 Gross over and \$135,103,000 GF/GP over the Governor.	
Total Changes	\$963,643,100
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$19,013,702,400

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Distribution of CMH Non-Medicaid Funds.** Senate included new language directing how funds appropriated for CMH non-Medicaid services be distributed. (Sec. 507)
2. **PIHP Administrative Cost.** Senate included new language directing PIHPs to work to reduce administrative costs, promote conflict-free care management, ensure that direct service rate variance be related to quantifiable measures, and promote fair and adequate direct care reimbursement. (Sec. 508)
3. **Workgroup on Staff Recruitment and Retention.** Senate included new language requiring the creation of a workgroup to analyze the challenges of recruiting and retaining certain PIHP direct care staff. The workgroup must develop a plan to enhance efforts to attract and retain such staff, and account for the effect of the increase in the State minimum wage. (Sec. 509)
4. **Diabetes/Kidney Health and Wellness Programming and Blue Cross Health Endowment Fund.** Senate altered language to transfer responsibility for funding some mental health and wellness initiatives and mental health and wellness commission recommendations to the Health Endowment Fund. (Sec. 651)
5. **Federal SIM Grant Funding.** Senate included new language directing State Innovation Model Grant funding be allocated to support the implementation of the health delivery system innovations. Also includes outcomes and performance measures. (Sec. 718)
6. **Indian Health Service, Tribal or Urban Indian Health Program Facility Supplemental Payments.** Senate included new language requiring prospective, quarterly payments to Indian Health Service, Tribal or Urban Indian Health Program Facilities which contract with a Medicaid managed care organization. (Sec. 719)
7. **Pharmacy and Medicaid Services Copayments.** Senate altered language to increase co-payments for Medicaid recipients enrolled in the Healthy Michigan Plan with an income of at least 100% of the Federal Poverty Level. (Secs. 1620 and 1631)
8. **Medicaid Managed Long-Term Care.** Senate included new language requiring a report on the implementation of the MI Health Link demonstration, as well as the existence of an ombudsman program. (Sec. 1775)
9. **Primary Care Services Medicaid Rate Increase.** Senate altered language to require the Department to examine including the subspecialty of neonatal medicine in the definition of primary care provider. (Sec. 1801)
10. **GME Quality Data Reporting.** Senate included new language requiring hospitals that receive Graduate Medical Education payments to submit data to a national nonprofit organization. (Sec. 1805)
11. **Consensus Formulary.** Senate included new language requiring the development and implementation of a consensus formulary by the Medicaid health plans, with input from the Department. (Sec. 1806)
12. **Encounter Data Improvement.** Senate included new language requiring the enhancement of encounter data reporting, the development of rules regarding encounter data completeness, and the creation of a fair measure of acuity for enrolled populations. (Sec. 1810)
13. **Maternal Infant Health Program Integration.** Senate included new language requiring the integration of the MIHP into the Medicaid health plan benefit package. (Sec. 1811)
14. **GME Cost and Retention Reporting.** Senate included new language requiring three separate reports regarding GME funding. Language also creates a workgroup to develop new metrics for funding distribution and states legislative intent that those metrics will be implemented in the next fiscal year. (Sec. 1812)
15. **Healthy Kids Dental.** Senate included new language directing the expansion of Healthy Kids Dental to Kent, Oakland, and Wayne Counties by July 1, 2016. Outlines performance measures for the program. (Sec. 1894)
16. **Adult Dental Services.** Senate included new language requiring a contract with a managed care organization to administer the Medicaid adult dental benefit beginning September 1, 2016. Also includes outcomes and performance measures. (Sec. 1895)
17. **Special Projects Funding.** Senate altered language to direct that funds for university autism programs go to support programs which increase the number of applied behavioral analysis therapists in the State. Allows for the funds to be used to support scholarships, and outline the performance measures for the program. (Sec. 1902)

Date Completed: 4-28-15

Fiscal Analyst: Steve Angelotti and Ellyn Ackerman

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



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			AMOUNT	PERCENT
FTE Positions.....	14,179.3	14,174.3	(5.0)	(0.0)
GROSS	2,022,721,700	1,961,726,000	(60,995,700)	(3.0)
Less:				
Interdepartmental Grants Received	225,000	225,000	0	0.0
ADJUSTED GROSS.....	2,022,496,700	1,961,501,000	(60,995,700)	(3.0)
Less:				
Federal Funds.....	5,081,000	5,568,700	487,700	9.6
Local and Private	8,547,700	8,533,200	(14,500)	(0.2)
TOTAL STATE SPENDING.....	2,008,868,000	1,947,399,100	(61,468,900)	(3.1)
Less:				
Other State Restricted Funds.....	48,769,600	42,950,700	(5,818,900)	(11.9)
GENERAL FUND/GENERAL PURPOSE.....	1,960,098,400	1,904,448,400	(55,650,000)	(2.8)
PAYMENTS TO LOCALS	115,714,000	114,323,600	(1,390,400)	(1.2)

FY 2014-15 Year-to-Date Gross Appropriation	\$2,022,721,700
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Changes from FY 2014-15 Year-to-Date:

- Restoration of One-Time Executive Order 2015-5 Cuts.** Governor restored funding to budget lines which had been cut in Executive Order 2015-5 on a one-time basis for FY 2014-15. Senate concurred. 4,700,000
- Parole Sanction Certainty Pilot Program.** Senate initiated pilot program designed to bring sanction certainty to technical parole violators to reduce returns to prison. 500,000
- Goodwill 'Flip the Script' Program.** Governor excluded program from budget proposal. Senate rejected the cut and restored funding. 0
- IDG to DHS for Swift-and-Sure.** Governor withdrew \$1.0 million GF/GP in program funding in budget recommendation. Senate rejected the cut. 0
- Neal et al. Litigation Settlement Expiration.** Governor removed \$25.0 million GF/GP settlement payments with the Neal et al. civil case. Senate concurred. (25,000,000)
- Unified Physical/Mental Health Care Contract Savings.** Senate reduced aggregated healthcare line item by \$15.0 million to recognize 7% savings from Governor's budget as expected unified health care contract realizes reductions in overhead and administrative cost burden as has occurred in other states. (15,000,000)
- Program and Special Equipment Fund Shift.** Governor shifted \$9.0 million of restricted funds to replace GF/GP for education and re-entry services to align budget priorities. Senate concurred. (9,000,000)
- Facility Operating Efficiencies.** Senate reduced funding by \$3.5 million GF/GP through 'mid-year' true-up adjustment which reflects expenditures forecasted to be below the appropriated line-item amount. (3,500,000)

9. One-Time Funding Removal. Governor cut one-time costs for education enhancements, field mobilization costs, and the 70 x 7 life recovery program. Senate concurred.	(2,085,900)
10. Kinross/Hiawatha Facility Swap. Governor recognized \$2.0 million GF/GP savings from transition of prisoners from Kinross to the Hiawatha facility in the Upper Peninsula. Senate concurred.	(2,000,000)
11. Electronic Monitoring Center Savings. Governor identified \$1.0 million in funds that can be eliminated by the State purchasing rather than leasing the GPS and radio tethers. Senate concurred.	(1,000,000)
12. Relocation of Mental Health Pilot to DCH. Governor moved this program to the DCH budget and Senate concurred.	(1,000,000)
13. Economic Adjustments. Includes a negative \$14,406,000 Gross and a negative \$14,772,500 GF/GP for OPEB and \$9,153,100 Gross and \$9,608,400 GF/GP for other economic adjustments. Senate concurred.	(5,252,900)
14. Other Changes. Governor reflected reduction in restricted revenue amounts. Senate concurred.	(2,356,900)
15. Comparison to Governor's Recommendation. The Senate is \$14,500,000 Gross and \$14,500,000 GF/GP under the Governor.	
Total Changes	(\$60,995,700)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$1,961,726,000

Boilerplate Changes from FY 2014-15 Year-to-Date:

- Deletions.** The Governor proposed the elimination of the majority of the current-year boilerplate; the approximately fifty-eight Sections or subsections proposed for elimination include: 204, 206, 207, 212, 214, 232, 238, 239, 247, 304, 305, 402, 403, 404, 406, 407, 409, 411, 412, 413, 417, 418, 420, 421, 431, 434, 435, 436, 437, 504, 505, 508, 509, 510, 511, 601, 608, 611, 612, 615, 802, 803, 804(2), 805, 812, 814, 816, 904, 907, 911, 912, 913, 915, 937, 938, 940, 1011, 1051, and 1201. The deletions include a variety of reporting requirements, statements of legislative intent, and guidance on certain programs such as the LEAN program, Swift-and-Sure IDG to DHS, and the workforce development language. Senate concurred with ten of the deletions including 204, 404, 431, 435, 436, 504, 508, 510, 938, and 1051. Senate restored or modified the other sections deleted by the Governor.
- Definitions.** Fourteen definitions were eliminated from the bill, ranging from simple acronyms such as FTE meaning "full time equivalent", to broader definitions for concepts such as recidivism and cost per prisoner. Twenty-four definitions would remain in the bill with such terms as: full-time equivalent, offender target population, and serious mental illness. Senate concurred with Sec. 203(o), 203(r), and 203(t) deletions but restored all other definitions as well as adding Sec. 203 (m) "EPIC" program.
- Program and Special Equipment Fee Language Change.** Governor changed name of fund from 'special equipment fund' to 'program and special equipment fund'. Senate concurred with updated language. (Sec. 5-219)
- Contingency Funding Allowance Increase.** Governor increased the amount of State contingency funds allowed to be collected increased from \$5,000,000 to \$10,000,000 for the potential use for State restricted contingency if needed in FY 2015-16 in accordance with the program and special equipment fund shift. (Sec. 5-229(2)). Senate concurred.
- Updated Amounts for Total Legacy Costs.** Governor updated total legacy costs section, the pension-related costs are: \$188,628,700 and the retiree health care costs are: \$143,701,900. Senate concurred with the update. (Sec. 5-246)
- Performance Metrics Language.** Governor did not include language. Senate modified language to update the requirements from the Department. The following thirteen line-items in the Senate recommendation would be subject to the current modified language: Executive direction, Reentry services, Education program, Community corrections, felony drunk driving, Residential services, Field operations, Parole sanction certainty pilot program, Substance abuse testing and treatment services, clinical and mental health services and support, Detroit re-entry center, Muskegon Correctional Facility, Southern region administration and support. (Sec. 5-247)

7. **Staff Savings Report.** Senate modified language to add a response time component as well as reporting requirement to inform outcomes from staff suggestions. (Sec. 5-304)
8. **Effective Process Improvement and Communication (EPIC) Report.** Senate removed LEAN programming process language and added reporting requirement on EPIC program. (Sec. 5-403)
9. **County Jail Reporting.** Senate added subsection for county jail capacity and occupancy for those counties which accept funds. (Sec. 5-414)
10. **Parole Sanction Certainty Pilot Program.** Senate add language to detail guidance on expenditures for this pilot program. (Sec. 5-421)
11. **MSI/Prosperity Region Nexus.** Senate modified Michigan State Industries reporting language to include labor force demand data as well as an identification of skills shortages in the Michigan Prosperity regions to achieve connection between program and geographic labor needs. (Sec. 5-509)
12. **Changes to Offsite Inpatient Medical Care Reports.** Governor deleted reporting requirement concerning off-site inpatient medical care and average length of stay in an off-site facilities. Senate restored language. (Sec. 5-804(2))
13. **Cost Per Prisoner Report.** Senate added language to add marginal cost per prisoner by age cohort as another data point in the existing report. (Sec. 5-904)
14. **Community Colleges Programming Eligibility.** Senate added language to allow for undergraduates and community colleges to find opportunities to collaborate with the Department on providing programming. (Sec. 5-915)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	600.5	600.5	0.0	0.0
GROSS	290,498,700	309,600,400	19,101,700	6.6
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	290,498,700	309,600,400	19,101,700	6.6
Less:				
Federal Funds	201,279,200	218,583,400	17,304,200	8.6
Local and Private	7,567,000	7,667,000	100,000	1.3
TOTAL STATE SPENDING	81,652,500	83,350,000	1,697,500	2.1
Less:				
Other State Restricted Funds	7,972,600	7,669,600	(303,000)	(3.8)
GENERAL FUND/GENERAL PURPOSE	73,679,900	75,680,400	2,000,500	2.7
PAYMENTS TO LOCALS	13,576,000	15,176,000	1,600,000	11.8

FY 2014-15 Year-to-Date Gross Appropriation	\$290,498,700
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Changes from FY 2014-15 Year-to-Date:

- 1. Child Development and Care.** The Governor and the Senate increased the Child Development and Care program in addition to keeping the increase from HB 4112. This increase requires no additional GF/GP. Of the total, \$11.8 million is for public assistance to increase the exit threshold to 250% of poverty (\$0.8 million), create a 12-month continuous eligibility model (\$8.0 million), and provide higher-tiered reimbursement (\$3.0 million). The remaining \$5.6 million is going to external support to hire licensing consultants at the Department of Human Services (DHS). 17,467,200
- 2. State Aid to Libraries.** The Governor and the Senate increased State aid to libraries by \$1.0 million to support operations and increase early childhood literacy program. This is supported by GF/GP. 1,000,000
- 3. Renaissance Zone Reimbursement.** The Governor and the Senate increased Renaissance Zone Reimbursements to libraries to ensure that the program is fully funded for FY 2015-16. This is supported by GF/GP. 600,000
- 4. Financial Independence Team.** The Governor and the Senate restored reductions in the financial independence team, which were done in HB 4112. 389,100
- 5. Educator Evaluations.** The Senate did not restore this line item after being eliminated in EO 2015-5. 0
- 6. Private Gifts - Deaf.** The Governor and the Senate increased private gifts to the Michigan Schools for the Deaf and Blind due to an increase in private donations. 100,000
- 7. Child Development and Care-Public Assistance.** The Governor and the Senate continued the reduction in GF/GP to this line item due to a decrease in caseloads that resulted in GF/GP that is no longer being needed to support Federal funds. 0

8. MPSERS Payments to Libraries. The Governor and the Senate continued the transfer in MPSERS payments for libraries to the School Aid budget, which was first done in HB 4112 and reduced both Gross and GF/GP.	0
9. Professional Preparation Services. The Governor and Senate reduced this line item due to a decrease in expected revenue from certification fees.	(289,200)
10. Economic Adjustments. Standard economic adjustments increased \$575,700 Gross, \$141,900 GF/GP. However, economic adjustments for OPEB more than offset the increase in standard economics, and totaled a negative \$717,100 Gross and negative \$139,800 GF/GP. Other economic adjustments totaled a negative \$15,900 Gross and negative \$4,100 GF/GP.	(157,300)
11. Other Changes. The Governor and the Senate modified IDG payments to DHS (decreased Gross and Federal \$31,500) and the Department of Licensing and Regulatory Affairs (increased Gross and GF/GP \$23,400) due to economic adjustments. 4.0 FTEs were moved from Educational Improvement and Innovative Services to the Office of School Reform.	(8,100)
12. Comparison to Governor's Recommendation. The Senate is \$3,611,800 Gross and \$3,611,800 GF/GP under the Governor.	
Total Changes	\$19,101,700
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$309,600,400

Boilerplate Changes from FY 2014-15 Year-to-Date:

- Sections deleted by Governor and Senate.** The Governor and the Senate deleted a number of sections. This includes sections, requiring an RFI prior to an RFP for contracts above \$5.0 million (233), capping per diem pay (302), restrictions on the teacher evaluation line item (702), and specifying MPSERS payments to libraries (805). (Secs. 233, 302, 702 and 805)
- Sections deleted by Governor, but retained by Senate.** The Senate retained a number of sections that the Governor deleted. This includes sections, requiring a report on sexual misconduct (208), protecting employees who communicate to the Legislature (216), requiring the retaining of previous reports (218), responding to the Legislature within 30 days (220), requiring notification before entering into contracts above \$1.0 million and amending the NCLB waiver (235), requiring a report on nonpublic school mandates (236), allowing substitute teaching to be used towards teacher certifications (502), keeping the library unit intact (803), requiring notifications on grants (901), requiring a report on Child Development and Care (1001), and requiring a report on the Early Childhood Investment Corporation (1003). (Secs. 208, 216, 218, 220, 235, 236, 502, 803, 901, 1001, 1003)
- Sections added by the Governor.** The Senate concurred with a number of sections that were added by the Governor. This includes sections allowing the Michigan Schools for the Deaf and Blind low-incident outreach program to carry forward unexpended restricted revenue (408), providing benchmarks and guidelines for increases in State aid to libraries (806) and the Child Development and Care program (1004). (Secs. 408, 806, 1004)
- Educator Evaluation.** The Senate did not concur with a new section that was added by the Governor that provided guidelines and benchmarks for educator evaluation funding. (Sec. 703)
- Modified section.** The Governor deleted and the Senate retained this section and made modification that removed subsection (2), which was legislative intent language that any new proposed program have a list of benchmarks, and included language that requires compliance with metrics required under section 431 of the Management and Budget Act. (Sec. 234)
- School Fund Raisers.** The Senate added a section that requires the Department to set the minimum number of fund raisers during school that sell food/drinks that do not meet new nutrition standards, to at least three per week. (Sec. 237)
- Teacher Certification Test.** The Senate added a section that requires the Department to adopt a teacher certification test that ensures that teachers can deliver evidence-based literacy instruction. (Sec. 507)
- Kindergarten Entry Assessment.** The Senate added a section that ensures that kindergarten entry assessments include an indicator for child who participated in the Great Start Readiness Program. (Sec. 1005)

9. **Best Practices Clearinghouse.** The Senate included a section that establishes a clearinghouse for best practices to improve reading proficiency in grades K to 3. (Sec. 1006)
10. **Technical Adjustments.** The Governor and the Senate made a number technical adjustments including, date changes, definition changes, legacy costs adjustments (totals \$15.9 million), and payments to locals adjustments (totals \$15.2 million).

Date Completed: 4-28-15

Fiscal Analyst: Cory Savino



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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	1,284.5	1,221.0	(63.5)	(4.9)
GROSS	502,591,800	489,263,000	(13,328,800)	(2.7)
Less:				
Interdepartmental Grants Received	9,530,500	9,115,300	(415,200)	(4.4)
ADJUSTED GROSS.....	493,061,300	480,147,700	(12,913,600)	(2.6)
Less:				
Federal Funds.....	149,867,600	138,163,100	(11,704,500)	(7.8)
Local and Private	546,900	546,000	(900)	(0.2)
TOTAL STATE SPENDING.....	342,646,800	341,438,600	(1,208,200)	(0.4)
Less:				
Other State Restricted Funds.....	301,770,900	306,060,800	4,289,900	1.4
GENERAL FUND/GENERAL PURPOSE.....	40,875,900	35,377,800	(5,498,100)	(13.5)
PAYMENTS TO LOCALS	2,775,000	3,648,500	873,500	31.5

FY 2014-15 Year-to-Date Gross Appropriation	\$502,591,800
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Changes from FY 2014-15 Year-to-Date:

1. **Underground Storage Tank Authority.** The Governor and Senate included revenue from the Underground Storage Tank Cleanup Fund to provide monies to address privately-owned leaking underground storage tanks. This fund and program were created by Public Act 416 of 2014. The Fund receives the first \$20.0 million of the 7/8 cent environmental regulatory fee paid on each gallon of refined petroleum products in Michigan. The remainder of that revenue is credited to the Refined Petroleum Fund, as all of this revenue had been before the enactment of this program. 20,000,000
2. **Refined Petroleum Product Cleanup Program.** The Governor and Senate included a reduction in this program from \$32.9 million in FY 2014-15 to \$20.0 million in FY 2015-16. Public Act 416 of 2014 redirected the first \$20.0 million in Refined Petroleum Fund (RPF) revenue, the sole support for this program, to a new fund that will be used to clean up leaking underground storage tanks on private property, rather than orphaned tanks, which is what this program covers. There is a sufficient balance in the RPF to partially offset the redirection of these funds, so the reduction the Governor included in this line is \$12.9 million rather than the full \$20.0 million. (12,900,000)
3. **Air Quality Fee Increase.** The Governor and Senate included additional Air Quality Fees revenue in anticipation of an increase in fees charged per ton of air emissions at regulated facilities. The current fee is \$47.95 per ton; the Governor's budget assumes an increase to \$65.00 per ton. The current fee raises about \$9.6 million per year, with this increase the fee would raise about \$11.9 million. Additional revenue would be used to expand the program and ensure that Federal and State requirements are met. 2,250,000

FY 2015-16 ENVIRONMENTAL QUALITY BUDGET

4. Fee Sunsets. The Governor and Senate assume a number of fee sunsets are eliminated or delayed. Failure to address these sunsets would result in the loss of about \$27.1 million in revenue across a number of restricted funds in the DEQ budget.	0
5. Air Quality - Environmental Pollution Prevention Fund (EPPF). The Governor removed \$1.3 million in EPPF current revenue used to support the Air Quality Division. The Fund does not have revenues or a balance that allows for current-year appropriation levels to be maintained. This reduction would have a programmatic impact on the Air Quality Division and would result in the reduction of services, permit delays, or other outcomes. The Senate restored these funds.	0
6. Drinking Water Revolving Fund State Match. The Governor and Senate included a reduction for this program. The DEQ receives a 5:1 Federal match on State monies dedicated to this program which provides low-interest loans to municipalities for improvements to drinking water infrastructure. In addition to GF/GP, the DEQ also uses repayments from previous loans as matching funds. Between repayments and the \$2.05 million GF/GP that would be left in the program if this reduction were enacted, the DEQ should be able to leverage all available Federal funds.	(2,950,000)
7. Emergency Water Fund. The Senate included a placeholder for a new program that would provide water assistance in certain communities.	100
8. Radiological Protection Program. The Governor and Senate included additional interdepartmental grant revenue from the Department of State Police to conduct Federally-mandated radiological emergency preparedness exercises at Michigan's nuclear power plants. The funds used for these activities come from these power plants, and the cost of the exercises is anticipated to rise.	366,000
9. Clean Michigan Initiative Adjustments. The Governor and Senate included a number of adjustments to the Clean Michigan Initiative funds used in the DEQ budget. These adjustments reflect statutory requirements, fund availability, and expected Federal revenue.	(1,473,200)
10. Overstated Federal Authorization. The Governor and Senate reduced a number of line items to reflect lower-than-appropriated Federal receipts. Many of these items have been over-appropriated (appropriation exceeds size of actual Federal grant) for a number of years. These adjustments would bring appropriations to the level of expected revenue.	(10,907,000)
11. Technical Adjustments. The Governor and Senate included reductions in excess restricted fund appropriations in the Contaminated Site Investigation, Cleanup, and Revitalization line, restricted fund shifts in Oil, Gas, and Mineral Services, and an increase in authorization to reflect statutory changes in the Aquatic Nuisance Control Program.	(4,882,000)
12. Remove FY 2014-15 One-Time Appropriations.	(2,500,000)
13. Economic Adjustments. Includes a negative \$1,503,500 Gross and a negative \$241,100 GF/GP for OPEB and \$1,170,800 Gross and \$192,900 GF/GP for other economic adjustments.	(332,700)
14. Comparison to Governor's Recommendation. The Senate is \$1,337,000 Gross and \$0 GF/GP over the Governor.	
Total Changes	(\$13,328,800)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$489,263,000

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **New Program Benchmarks.** The Governor removed a section requiring any new or expanded programs over \$500,000 to have identified metrics. The Senate included this section, but made various changes to the section. (Sec. 204)
2. **Report Retention.** The Governor removed and Senate retained a section requiring the Department to abide by State and Federal guidelines for record retention. (Sec. 207)

3. **Disciplinary Action.** The Governor removed and Senate retained a section prohibiting disciplinary action from being taken against employees who communicate with the Legislature. (Sec. 212)
4. **Small Business Rules.** The Governor removed and Senate retained a section prohibiting rules that have a disproportionate impact on small businesses. (Sec. 213)
5. **FTE Report.** The Governor and Senate removed a report on the number of FTEs in the Department after the beginning of the fiscal year. (Sec. 223)
6. **Customer Satisfaction Report.** The Governor and Senate removed a report on the customer satisfaction program. (Sec. 228)
7. **Expedited Permit Program Report.** The Governor and Senate removed a report on this program. (Sec. 229)
8. **Refined Petroleum Fund (RPF) Repayment.** The Governor removed and Senate retained a section establishing intent that \$70.0M borrowed from the Refined Petroleum Fund in FY 2006-07 be repaid. (Sec. 305)
9. **RPF Site List.** The Governor removed and Senate retained a list of sites to be funded with Refined Petroleum Fund revenue in part 1. The list of sites was updated. (Sec. 306)
10. **Aquatic Nuisance Control (ANC) Program.** The Governor and Senate removed a section requiring \$700,000 and 5.0 FTEs to be allocated to this program. (Sec. 401)
11. **Water Quality and Use Initiative Report.** The Governor removed and Senate retained a report on the use of funds for this program. (Sec. 402)
12. **Air Quality Penalties.** The Governor removed and Senate retained a section prohibiting the Department from issuing additional penalties for violations committed by a facility's previous owner, unless compelled by a legal agreement. (Sec. 502)
13. **Increased Air Fees - Metrics.** The Governor included a new section directing the Department to use increased funds for the Air Quality Program to increase compliance assistance, permitting, inspections, monitoring, and enforcement. The funds would assist with ensuring that Michigan meets National Ambient Air Quality Standards. The Senate included this section. (Sec. 501)
14. **Increased Air Fees - FTE in Upper Peninsula.** The Senate added a new section which would require the Department to use increased air fees to hire one FTE for oversight of air quality programs in the Upper Peninsula. (Sec. 503)
15. **Stormwater, Asset Management, and Wastewater (SAW) Grants Report.** The Governor removed and Senate retained a section requiring a report on all previously awarded SAW grants. (Sec. 603)
16. **Environmental Pollution Prevention Fund (EPPF) Revenue Shortfall.** The Governor and Senate removed a section requiring EPPF appropriations to be used for the Hazardous Waste Management Program as a priority if EPPF revenues are not sufficient to cover all appropriations of the fund. (Sec. 604)
17. **Underground Storage Tank (UST) Authority Work Project.** The Governor included a new section establishing the \$20.0 million appropriation for the UST Authority in part one as a work project. The Senate included this section. (Sec. 701)
18. **FY 2015-16 Appropriation Intent.** The Governor removed two sections stating legislative intent for appropriations in FY16. (Secs. 1201 & 1202)

Date Completed: 4-28-15

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General Government Budgets
Total Gross and GF/GP Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	7,747.2	7,803.2	56.0	0.7
GROSS	4,669,740,100	4,714,696,000	44,955,900	1.0
Less:				
Interdepartmental Grants Received	740,374,200	742,192,600	1,818,400	0.2
ADJUSTED GROSS.....	3,929,365,900	3,972,503,400	43,137,500	1.1
Less:				
Federal Funds.....	690,693,500	688,424,100	(2,269,400)	(0.3)
Local and Private	16,256,900	23,334,200	7,077,300	43.5
TOTAL STATE SPENDING.....	3,222,415,500	3,260,745,100	38,329,600	1.2
Less:				
Other State Restricted Funds.....	2,062,182,800	2,096,823,800	34,641,000	1.7
GENERAL FUND/GENERAL PURPOSE.....	1,160,232,700	1,163,921,300	3,688,600	0.3
PAYMENTS TO LOCALS	1,442,365,600	1,467,315,300	24,949,700	1.7

See Individual Highlight Sheet for Department Detail

Boilerplate Changes from FY 2014-15 Year-to-Date:

GENERAL SECTIONS

1. **Return on Taxpayer Investment.** Requires two reports (11-1-14 and 3-1-15) to the Legislature for each new program or program increase. Also includes intent language that beginning with the FY 2015-16 budget, any new programs or spending increases for existing programs shall include a specific list of benchmarks that measure the performance or return on taxpayer investment of the program or program increase. **Governor:** Deleted section. **Senate:** Modified to remove intent language requiring benchmarks for any proposed program or program increase. Also, included compliance with section 431 of the Management and Budget Act. (Sec. 207)
2. **Budget Stabilization Fund/Public Health Sub-Fund.** Appropriates \$94.0 million from General Fund/General Purpose (GF/GP) revenue to the BSF in FY 2014-15 and \$0 to the public health sub-account. **Governor:** Moved to Miscellaneous sections in Article 21. Deposit amount for FY 2015-16 is increased to \$95.0 million and new language is added stating that there would be an additional deposit to the BSF in FY 2015-16 equal to 25 percent of the fiscal year 2016 GF/GP revenues collected in excess of the amount of GF/GP revenues forecast at the May 2016 revenue estimating conference plus an amount equal to 25 percent of net GF/GP expenditure lapses recorded as part of the State book closing process for the 2016 fiscal year. **Senate:** Reduced deposit into the BSF in FY 2015-16 to \$50.0 million. Concurred with the Governor with the additional deposit based on fiscal year 2016 GF/GP revenues collected in excess of the amount of GF/GP revenues forecast at the May 2016 revenue estimating conference but reduced amount to 10% and did not include the additional deposit of lapsed revenues. (Sec. 211)
3. **Retention of Reports.** Directs departments and agencies to receive and retain copies of all reports funded from appropriations in Part 1, following State and Federal guidelines for short and long-term record retention. Allows electronic retention of reports unless prohibited by State or Federal guidelines. **Governor:** Deleted section. **Senate:** Retained section. (Sec. 212)
4. **Casino Investment.** Prohibits use of funds appropriated in Part 1 from being used by a department or agency to purchase an ownership interest in a casino. **Governor:** Deleted section. **Senate:** Retained section. (Sec. 213)
5. **Communications with Legislators.** Prohibits disciplinary action against department employees for communicating with Legislators or their staff. **Governor:** Deleted section. **Senate:** Retained section. (Sec. 215)
6. **General Fund Restrictions.** Prohibits use of general fund appropriations in this Act where Federal funds are available for the same expenditures. **Governor:** Deleted section. **Senate:** Concurred with Governor. (CL Sec. 217)
7. **Policy Change Reporting Requirement.** Requires each department to report by April 1 on each specific policy change made to implement enacted legislation to the appropriations subcommittees, the chairperson of the joint committee on administrative rules, and the senate and house fiscal agencies and policy offices. **Governor:** Deleted section. **Senate:** Retained section. (Sec. 221)
8. **Energy Performance in State Buildings.** Requires DTMB, with the assistance of the Michigan Energy Office, to assess the energy performance of State-owned buildings so that departments and agencies are better able to identify priority projects for energy improvements that can be achieved with internal resources and energy savings performance contracts under the cost-effective Governmental Energy Use Act. **Governor:** Deleted section. **Senate:** Concurred with Governor. (CL Sec. 239)



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 Committee: Appropriations

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULLCOMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	513.5	518.5	5.0	1.0
GROSS	93,822,300	91,941,600	(1,880,700)	(2.0)
Less:				
Interdepartmental Grants Received	27,783,800	28,533,900	750,100	2.7
ADJUSTED GROSS.....	66,038,500	63,407,700	(2,630,800)	(4.0)
Less:				
Federal Funds.....	9,857,200	9,278,600	(578,600)	(5.9)
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING.....	56,181,300	54,129,100	(2,052,200)	(3.7)
Less:				
Other State Restricted Funds.....	17,914,200	17,281,700	(632,500)	(3.5)
GENERAL FUND/GENERAL PURPOSE.....	38,267,100	36,847,400	(1,419,700)	(3.7)
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation	\$93,822,300
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Changes from FY 2014-15 Year-to-Date:

- 1. Removal of FY 2014-15 One-Time Funding.** The Governor removed one-time funding of \$3.0 million GF/GP provided for sexual assault prosecution cases resulting from the backlog of rape kits in Wayne County. Senate concurred with Governor. (3,000,000)
- 2. Sexual Assault Law Enforcement.** The Governor included funds for a new line item that provides funding for the prosecution of backlog sexual assault cases across out-State Michigan. Additional funding added 5.0 FTE positions for this function and is not related to the prior-year one-time funding for the backlog of cases in Wayne County. Senate concurred with Governor. 1,700,000
- 3. Technical Adjustment to Align Expenditures.** The Governor reduced IDG and restricted funding to better align the expenditures of the Department with the actual funds received from other departments for services provided by the Department of Attorney General. Senate concurred with Governor. (239,200)
- 4. Economic Adjustments.** Includes a negative \$802,000 Gross and a negative \$294,000 GF/GP for OPEB and \$460,500 Gross and \$174,300 GF/GP for other economic adjustments. Senate concurred with Governor. (341,500)
- 5. Comparison to Governor's Recommendation.** The Senate is \$0 Gross over/under and \$0 GF/GP over/under the Governor.

Total Changes	(1,880,700)
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FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$91,941,600
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Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2014-15 general sections that applied to all General Government budgets to the Article for the Department of Attorney General. **Senate:** retained current law format for structure of the bill. These sections include:
 - Report on total State spending for the Department. (Sec. 2-201)
 - Appropriations are subject to Management and Budget Act, 1984 PA 431. (Sec. 2-202)
 - Definitions. (Sec. 2-203)
 - Requirement for Departments to maintain searchable websites. (Sec. 2-206)
 - Allowable use of the Internet to fulfill reporting requirements. (Sec. 2-208)
 - Buy American with a Michigan preference. (Sec. 2-209)
 - Required department to allow businesses in deprived and depressed communities to bid on contracts. (Sec. 2-210)
 - Report on out-of-state travel. (Sec. 2-216)
 - Department Scorecards. (Sec. 2-219)
 - Prohibition on outside legal services. (Sec. 2-226)
 - Restricted Revenue Report. (Sec. 2-227)
 - GF/GP Lapse Report. (Sec. 2-228)
2. **Prisoner Reimbursement Funds.** Provides that the Department may spend up to \$614,400 of prisoner reimbursement funds on activities related to the State Correctional Facilities Reimbursement Act. If the Department collects in excess of \$1,131,000, up to \$1,000,000 of that amount is appropriated and may be spent on representing the Department of Corrections and its officers, employees, and agents, including, but not limited to, the defense of civil actions filed by prisoners. **Governor:** reduced amount of prisoner reimbursement funds by \$2,500 to \$611,900 due to economic changes. (Current Law Sec. 309) **Senate** concurred with Governor.
3. **Sexual Assault Law Enforcement Efforts. Governor:** added new language for sexual assault law enforcement efforts. Language requires the Department to use the funds for testing of backlogged sexual assault kits across the State. The purpose of this initiative is to eliminate all county sexual assault kit backlogs by the end of the fiscal year, assist local prosecutors with investigations and prosecutions of viable cases, and to provide victim services. (Gov. Sec. 2-316) **Senate:** Revised language to prioritize funding as follows: testing of backlogged kits; assist local prosecutors; and provide victim services.
4. **Sexual Assault Prosecutions.** Language requires Attorney General to provide a detailed spending plan. **Governor:** deleted. **Senate:** added language requiring the plan to be submitted by November 1, 2015, or funds shall lapse to General Fund. (Sec. 320)

Date Completed: 4-28-15

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			AMOUNT	PERCENT
FTE Positions.....	132.0	129.0	(3.0)	(2.3)
GROSS	16,644,200	16,128,700	(515,500)	(3.1)
Less:				
Interdepartmental Grants Received	288,900	286,700	(2,200)	(0.8)
ADJUSTED GROSS.....	16,355,300	15,842,000	(513,300)	(3.1)
Less:				
Federal Funds.....	2,736,500	2,721,700	(14,800)	(0.5)
Local and Private	18,700	18,700	0	0.0
TOTAL STATE SPENDING.....	13,600,100	13,101,600	(498,500)	(3.7)
Less:				
Other State Restricted Funds.....	151,900	151,900	0	0.0
GENERAL FUND/GENERAL PURPOSE.....	13,448,200	12,949,700	(498,500)	(3.7)
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation	\$16,644,200
Changes from FY 2014-15 Year-to-Date:	
1. Unclassified Salaries. The Governor reduced funding for this line item to account for the unused portion of the funds. Senate concurred with Governor.	(90,000)
2. Public Affairs Positon. The Governor eliminated funding for 1.0 FTE due to a vacant position. Senate concurred with Governor.	(115,000)
3. Librarian Position. The Governor eliminated funding for 1.0 FTE due to a vacant position. Senate concurred with Governor.	(105,000)
4. Executive Secretary Position. The Governor eliminated funding for 1.0 FTE due to a vacant position. Senate concurred with Governor.	(90,000)
5. Economic Adjustments. Includes a negative \$157,900 Gross and a negative \$132,500 GF/GP for OPEB and \$42,400 Gross and \$34,000 GF/GP for other economic adjustments. Senate concurred with Governor.	(115,500)
6. Comparison to Governor's Recommendation. The Senate is \$0 Gross over/under and \$0 GF/GP over/under the Governor.	
Total Changes	(\$515,500)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$16,128,700

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2014-15 general sections that applied to all General Government budgets to the Article for the Department of Civil Rights. **Senate:** retained current law format for structure of the bill. These sections include:
 - Report on total State spending for the Department. (Sec. 3-201)
 - Appropriations are subject to Management and Budget Act, 1984 PA 431. (Sec. 3-202)
 - Definitions. (Sec. 3-203)
 - Requirement for Departments to maintain searchable websites. (Sec. 3-206)
 - Allowable use of the Internet to fulfill reporting requirements. (Sec. 3-208)
 - Buy American with a Michigan preference. (Sec. 3-209)
 - Required department to allow businesses in deprived and depressed communities to bid on contracts. (Sec. 3-210)
 - Report on out-of-state travel. (Sec. 3-216)
 - Department Scorecards. (Sec. 3-219)
 - Prohibition on outside legal services. (Sec. 3-226)
 - Restricted Revenue Report. (Sec. 3-227)
 - GF/GP Lapse Report. (Sec. 3-228)
2. **Department Report.** Requires a detailed report submitted by November 30 that covers the following items for the most recent fiscal year: detailed description of departmental operations; detailed description of all subunits in the department; responsibilities, positions, revenue, and spending for each subunit; number of complaints by type; average cost per complaint investigation and average investigative time spent per complaint; percent of complaints that are meritorious and worthy of investigation or settlement and the percentage of complaints that have no merit; list of amounts awarded to claimants; expenditures associated with complaint investigation and enforcement; complaint investigations closed per FTE for the past 5 years; complaint evaluations completed per FTE for the past 5 years; and productivity projections. **Governor:** eliminated section. **Senate:** retained language. (Current Law Sec. 404)
3. **Notifications Required Regarding Federal Reports or Complaints.** Requires the department to notify the Office of State Budget, Senate and House appropriations committees, and the Senate and House Fiscal Agencies prior to submitting a report or complaint to the United State Commission on Civil Rights or other Federal departments. **Governor:** eliminated section. **Senate:** retained language. (Current Law Sec. 405)

Date Completed: 4-28-15

Fiscal Analyst: Joe Carrasco, Jr.



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Senate Bill 133 (Substitute S-1)
 Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	78.2	78.2	0.0	0.0
GROSS	5,916,100	5,916,100	0	0.0
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS.....	5,916,100	5,916,100	0	0.0
Less:				
Federal Funds.....	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING.....	5,916,100	5,916,100	0	0.0
Less:				
Other State Restricted Funds.....	0	0	0	0.0
GENERAL FUND/GENERAL PURPOSE.....	5,916,100	5,916,100	0	0.0
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation	\$5,916,100
Changes from FY 2014-15 Year-to-Date:	
1. The Governor Recommended NO CHANGES from enacted FY 2014-15 budget. Senate concurred with Governor.	0
2. Comparison to Governor's Recommendation. The Senate is \$0 Gross over/under and \$0 GF/GP over/under the Governor.	
Total Changes	0
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$5,916,100

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. There previously were no boilerplate sections for the Executive Office. The Governor added one general section listing the total State spending from State resources and the payments to local units of government. (Gov. Sec. 8-201)
Senate: no boilerplate language included.

Date Completed: 4-28-15

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 Committee: Appropriations

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	0.0	0.0	N/A	N/A
GROSS	154,089,300	159,304,800	5,215,500	3.4
Less:				
Interdepartmental Grants Received	5,220,700	5,392,800	172,100	3.3
ADJUSTED GROSS.....	148,868,600	153,912,000	5,043,400	3.4
Less:				
Federal Funds.....	0	0	0	0.0
Local and Private	400,000	400,000	0	0.0
TOTAL STATE SPENDING.....	148,468,600	153,512,000	5,043,400	3.4
Less:				
Other State Restricted Funds.....	6,110,600	6,179,600	69,000	1.1
GENERAL FUND/GENERAL PURPOSE.....	142,358,000	147,332,400	4,974,400	3.5
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation	\$154,089,300
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Changes from FY 2014-15 Year-to-Date:

- | | |
|---|-----------|
| 1. Auditor General Adjustment. The Governor recommended a 3.5% overall increase for Auditor General operations. Senate concurred with Governor. | 681,700 |
| 2. Legislative Adjustment. The Governor increased overall funding for the Legislature by a total of 3.5%. The Senate received an increase of \$1.2 million overall while the House received an overall increase of \$1.8 million. The House and Senate Fiscal Agencies received an increase of \$125,300 each. The Legislative Council received an increase of \$521,500 while the Retirement System received an increase of \$148,500. The Farnum Building and the Cora Anderson House Building received increases totaling \$466,500. Finally, the Governor included additional funding of \$199,600 for the State Capitol Historic Site line item (\$139,600 for general operations and \$60,000 for restoration, renewal and maintenance). Senate concurred with Governor. | 4,533,800 |
| 3. Comparison to Governor's Recommendation. The Senate is \$0 Gross over/under and \$0 GF/GP over/under the Governor. | |

Total Changes	\$5,215,500
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FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$159,304,800
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Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2014-15 general sections that applied to all General Government budgets to the Article for the Legislature. **Senate:** retained current law format for structure of the bill. These sections include:
 - Report on total State spending for the Department. (Sec. 12-201)
 - Appropriations are subject to Management and Budget Act, 1984 PA 431. (Sec. 12-202)
 - Definitions. (Sec. 12-203)
2. **Capitol Historic Site Fund.** Language states that the appropriation in Part 1 from the Capitol Historic Site Fund does not take effect unless Enrolled Senate Bill 678 of the 97th Legislature is enacted into law. **Governor:** eliminated section. (Current Law Sec. 609) Senate concurred with Governor.
3. **Legislative Retirement System.** Intent language states that all administrative functions and associated funding for the Michigan Legislative Retirement System shall be transferred to DTMB by the end of FY 2014-15. **Governor:** eliminated section. **Senate:** retained section. (Current Law Sec. 618)
4. **IT Auditors.** Language states that \$400,000 may be used to hire up to 10 additional auditors to perform audits of the State's most critical IT systems and services. **Governor:** eliminated section. (Current Law Sec. 625) Senate concurred with Governor.

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
 Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	1,587.0	1,587.0	0.0	0.0
GROSS	226,774,900	235,256,700	8,481,800	3.7
Less:				
Interdepartmental Grants Received	20,000,000	20,000,000	0	0.0
ADJUSTED GROSS.....	206,774,900	215,256,700	8,481,800	4.1
Less:				
Federal Funds.....	3,050,000	1,460,000	(1,590,000)	(52.1)
Local and Private	100	100	0	0.0
TOTAL STATE SPENDING.....	203,724,800	213,796,600	10,071,800	4.9
Less:				
Other State Restricted Funds.....	185,985,800	186,635,100	649,300	0.3
GENERAL FUND/GENERAL PURPOSE.....	17,739,000	27,161,500	9,422,500	53.1
PAYMENTS TO LOCALS	1,360,800	1,272,100	(88,700)	(6.5)

FY 2014-15 Year-to-Date Gross Appropriation	\$226,774,900
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Changes from FY 2014-15 Year-to-Date:

- FY 2014-15 Y-T-D Adjustments.** Current year adjustments per PA 6 of 2015 total \$1.2 million. There is \$1.0 million appropriated for the ignition interlock program and \$200,000 for IT costs associated with the May 2015 special election. (1,200,000)
- FY 2014-15 Y-T-D Adjustment for Transfer 2015-2.** This transfer added \$1.6 million in funding to increase the Federal authorization for the receipt of additional Federal funds that will be used to upgrade CDL testing kiosks in branch offices. Funding is not carried forward into FY 2015-16. (1,590,000)
- Credit and Debit Card Assessments.** The Governor increased restricted funding for the authorization to use additional restricted funds that are being collected as more branch office transactions are being completed with the use of a debit or credit card. Senate concurred with Governor. 1,000,000
- Ignition Interlock Program.** The Governor increased restricted funding to adjust for ongoing costs associated with this program that monitors persons convicted of driving while intoxicated or impaired. Funding is required as a result of PA 250 of 2014 and is provided through the collection of Driver Responsibility Fees. Senate concurred with Governor. 1,000,000
- Unclassified Salaries.** The Governor reduced funding for this line item in order to realize the savings from the unused portion of funds. Senate concurred with Governor. (122,100)
- Department Services Operations.** The Governor reduced funding to realize the savings that will result from the Department's implementation of administrative efficiencies. Senate concurred with Governor. (83,800)

7. Legal Services Operations. The Governor reduced funding to realize the savings that will result from the Department's implementation of administrative efficiencies. Senate concurred with Governor.	(400)
8. Branch Operations. The Governor reduced GF/GP funding to realize the savings that will result from the Department's implementation of administrative efficiencies. Senate concurred with Governor.	(241,800)
9. Central Operations. The Governor reduced funding to realize the savings that will result from the Department's implementation of administrative efficiencies. Senate concurred with Governor.	(26,900)
10. Election Administration Operations. The Governor reduced funding to realize the savings that will result from the Department's implementation of administrative efficiencies. Senate concurred with Governor.	(25,000)
11. Voting Systems Technology. The Senate appropriated \$10.0 million for replacement of voting machines and updating technology.	10,000,000
12. Economic Adjustments. Includes a negative \$1,482,700 Gross and a negative \$98,300 GF/GP for OPEB and \$1,254,500 Gross and \$220,800 GF/GP for other economic adjustments. Senate concurred with Governor.	(228,200)
13. Comparison to Governor's Recommendation. The Senate is \$10.0 million Gross over and \$10.0 million GF/GP over the Governor.	
Total Changes	\$8,481,800
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$235,256,700

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2014-15 general sections that applied to all General Government budgets to the Article for the Department of State. **Senate:** retains current law format of the bill. These sections include:
 - Report on total State spending for the Department. (Sec. 16-201)
 - Appropriations are subject to the Management and Budget Act, 1984 PA 431. (Sec. 16-202)
 - Definitions. (Sec. 16-203)
 - Requirement for Departments to maintain searchable websites. (Sec. 16-206)
 - Allowable use of the Internet to fulfill reporting requirements. (Sec. 16-208)
 - Buy American with a Michigan preference. (Sec. 16-209)
 - Required department to allow businesses in deprived and depressed communities to bid on contracts. (Sec. 16-210)
 - Report on out-of-state travel. (Sec. 16-216)
 - Department Scorecards. (Sec. 16-219)
 - Prohibition on outside legal services. (Sec. 16-226)
 - Restricted Revenue Report. (Sec. 16-227)
 - GF/GP Lapse Report. (Sec. 16-228)
2. **Business Application Modernization Project Report.** Requires a report of the total funds expended for the business application modernization project, start dates, costs, and penalties paid to the state by the contract provider. **Governor:** eliminated section. **Senate:** retained language. (Sec. 716b)
3. **Buena Vista Branch Office.** Requires the Department to maintain a full service branch office in Buena Vista Township. **Governor:** eliminated section. (Current Law Sec. 718) Senate concurred with Governor.
4. **Voting Systems Technology and Innovation Fund.** **Senate:** Added new intent language stating that a Voting Systems Technology and Innovation Fund shall be created within the State Treasury. The intent is for the fund to be a revolving, self-sustaining fund for financing voting systems technology and innovation. (**NEW** Sec. 730)

5. **Federal Rules Changes Affecting Michigan Statute. Senate:** Added new language stating that a 10-day notice shall be given to the Legislature on any proposed federal rules changes impacting the Department of State that would require amendments to Michigan statute. (**NEW** Sec. 731)
6. **TACF Sunset.** Although not mentioned in boilerplate in the budget bill, it must be noted that the authority for the Transportation Administration and Collection Fund (TACF) is set to expire on October 1, 2015. If this authority is not extended for fiscal year 2015-16, the major source of funding for the Department of State (estimated at \$110 million) would be lost and leave the Department short of necessary funding for the fiscal year.

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
 Committee: Appropriations

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	2,817.0	2,833.0	16.0	0.6
GROSS	1,230,288,000	1,258,029,300	27,741,300	2.3
Less:				
Interdepartmental Grants Received	677,671,700	678,478,500	806,800	0.1
ADJUSTED GROSS.....	552,616,300	579,550,800	26,934,500	4.9
Less:				
Federal Funds.....	7,974,100	7,997,300	23,200	0.3
Local and Private	3,744,100	3,777,800	33,700	0.9
TOTAL STATE SPENDING.....	540,898,100	567,775,700	26,877,600	5.0
Less:				
Other State Restricted Funds.....	95,099,600	99,271,900	4,172,300	4.4
GENERAL FUND/GENERAL PURPOSE.....	445,798,500	468,503,800	22,705,300	5.1
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation	\$1,230,288,000
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Changes from FY 2014-15 Year-to-Date:

- FY 2014-15 Y-T-D Adjustments.** Current year adjustments per PA 6 of 2015 and E.O. 2015-5 total a negative \$33.3 million. There is a negative adjustment of \$17.8 million in PA 6 of 2015 for SBA rent. Additionally, there is a negative adjustment totaling \$15.5 million across various line items to balance FY 2014-15. 33,300,000
- FY 2014-15 Y-T-D Adjustment for Transfer 2015-2.** This transfer added \$777,600 in funding to increase the restricted fund authorization for the receipt of additional restricted funds that will be used to administer the deferred compensation plans. Funding is not carried forward into FY 2015-16. (777,600)
- Removal of FY 2014-15 One-Time Appropriations.** The Governor removed a total of \$22.0 million of the following one-time funding provided in the FY 2014-15 budget: Litigation fund (\$4.0 million); Regional Prosperity Grants (\$1.0 million); Technology Services Funding (\$6.9 million IDG, \$300 GF/GP); Office of Urban Initiatives (\$5.0 million); Business One-Stop Depreciation costs (\$871,700); Special Projects (\$1.25 million); and Enterprisewide Special Maintenance (\$7.0 million). Senate concurred with Governor. (26,022,000)
- Procurement Improvement Plan.** The Governor provided new funding of \$825,000 (\$479,100 GF/GP) to hire 6.0 additional FTEs to implement a category management system for the State's procurement system. This new system will force the State to examine all of its purchasing from an enterprise perspective and allow the State to leverage its spending abilities by reducing the number of contacts and suppliers utilized. Senate concurred with Governor. 825,000

FY 2015-16 TECHNOLOGY, MANAGEMENT, AND BUDGET

5. **Treasury Business Portal.** The Governor provided authorization for the Department of Treasury to implement a new and refined business portal to replace the old Michigan Business One-Stop portal that was eliminated in the FY 2014-15 budget. The additional IDG funding will allow the Department of Treasury to meet other IT projects/needs. Senate concurred with Governor. 2,000,000
6. **Office of Urban Initiatives.** General Fund/General Purpose funding that was provided as one-time funding in FY 2014-15 is maintained for FY 2015-16 as an ongoing program, but reduced by half. Senate reduced Governor's funding by \$876,600. 1,623,400
7. **Motor Vehicle Fleet.** The Governor increased IDG funding to account for higher fuel, maintenance, and vehicle leasing costs. Senate concurred with Governor. 6,515,500
8. **State Emergency Operations Center (SEOC).** The Governor included funding increases in the authorization for the IDG from Building Operation Costs (BOC) to cover the costs of operating the new SEOC. The Michigan State Police (MSP) will occupy a portion of the building and this adjustment will allow DTMB to recognize the BOC they will charge the MSP for their use of the building. Senate concurred with Governor. 631,700
9. **Office of Retirement Services.** The Governor increased restricted funding to cover additional administrative costs to administer the various retirement system changes due to enacted legislation affecting both Defined Contribution and Deferred Compensation. Senate concurred with Governor. 1,257,600
10. **Information Technology (IT) Investment Fund.** The Governor increased GF/GP funding for this IT program to further provide maintenance and replacement of legacy IT systems across State departments and agencies. Funding for this item will total \$70.0 million in FY 2015-16. Senate reduced Governor's funding by \$5.0 million. 2,000,000
11. **Enterprisewide Special Maintenance.** The Governor increased GF/GP funding for the ongoing appropriations for this item to provide maintenance services to State-owned buildings across the State. The FY 2014-15 budget included \$7.0 million in one-time funding for this program that is not included in the FY 2015-16 budget. Total ongoing funding in FY 2015-16 increases from \$23.0 million to \$31.0 million. Senate concurred with Governor. 8,000,000
12. **Treasury IT Technical Adjustment.** The Governor's increase aligned funding of the IT IDGs with agency requests. Funding of \$1.2 million and 2.0 FTE positions is provided for City Income Tax operations and \$650,000 and 1.0 FTE position is provided for Personal Property Tax reforms. Senate concurred with Governor. 1,850,000
13. **Michigan Public Safety Communications System (MPSCS) Lifecycle and Radio Replacement.** The Governor reduced GF/GP funding for this program by \$2.0 million to \$39.8 million to provide funding for lifecycle replacement of equipment that is outdated. Senate concurred with Governor. (2,000,000)
14. **Civil Service Commission.** The Governor reduced funding for the IT line item for the Civil Service Commission. Senate concurred with Governor. (1,085,800)
15. **Information Technology (IT) - Alignment of IDG Funding.** The IT portion of the budget aligned its IDG funding with enacted FY 2014-15 appropriations for all departments. Senate concurred with Governor. (2,018,800)
16. **FY 2015-16 One-Time Appropriations.** Governor included the following one-time funding: \$2.0 million for litigation costs; \$600,000 for alignment of IT funding with agency requests related to the Treasury Business Portal described above; and \$500 for planning authorizations for SBA-authorized community college and university construction projects. Senate reduced litigation funding by \$1.0 million and SBA authorized capital outlay projects by \$400. 1,600,100
17. **Economic Adjustments.** Includes a negative \$3,521,500 Gross and a negative \$667,500 GF/GP for OPEB and \$3,556,100 Gross and \$1,072,700 GF/GP for other economic adjustments. Senate concurred with Governor. 34,600

18. **Other Changes.** The Governor included several miscellaneous changes including: a net zero Gross change for SWCAP, however change results in a negative adjustment to GF/GP funding of (\$3,300); \$7,600 for Professional Development to comply with contracts; a net zero Gross change to provide GF/GP funding to offset IDG funding that supports administrative services for DTMB, however change results in a positive adjustment to GF/GP funding of \$781,900; and a net zero Gross change for the Office of State Employer to reduce GF/GP funding in the Office of the State Employer and replace the funding with Health Management Fund restricted funds, however change results in a negative adjustment to GF/GP funding of (\$45,000). 7,600
19. **Fund Shift.** The Senate replaced \$3.5 million in GF/GP funding with restricted revenue from the IT Innovation Fund. The shift has a net zero effect on the gross but reduces GF/GP expenditures by \$3.5 million. 0
20. **Comparison to Governor's Recommendation.** The Senate is \$6,877,000 Gross under and \$10,377,000 GF/GP under the Governor.

Total Changes	\$27,741,300
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$1,258,029,300

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2014-15 general sections that applied to all General Government budgets to the Article for the Department of Technology, Management, and Budget. **Senate: retained current law format of bill.** These sections include:
 - Report on total State spending for the Department. (Sec. 18-201)
 - Appropriations are subject to Management and Budget Act, 1984 PA 431. (Sec. 18-202)
 - Definitions. (Sec. 18-203)
 - Requirement for Departments to maintain searchable websites. (Sec. 18-206)
 - Allowable use of the Internet to fulfill reporting requirements. (Sec. 18-208)
 - Buy American with a Michigan preference. (Sec. 18-209)
 - Required department to allow businesses in deprived and depressed communities to bid on contracts. (Sec. 18-210)
 - Report on out-of-state travel. (Sec. 18-216)
 - Department Scorecards. (Sec. 18-219)
 - Prohibition on outside legal services. (Sec. 18-226)
 - Restricted Revenue Report. (Sec. 18-227)
 - GF/GP Lapse Report. (Sec. 18-228)
 - Related federal and restricted funds for special maintenance. (Sec. 18-233)
 - Related federal and restricted funds for enterprise wide IT investments. (Sec. 18-234)
2. **Computer Contract Adjustments.** Within 14 days of the Department finalizing the revisions, the Department must notify the House and Senate Appropriation Committee Chairs and General Government Subcommittee Committee Chairs on computer contract revisions that increase or decrease current contracts by more than \$500,000. The **Governor:** removed the 14-day requirement and instead requires a report quarterly. (Current Law Sec. 809) Senate concurred with Governor.
3. **Motor Vehicle Fleet. Governor:** removed the requirement for the Department to use remanufactured parts, whenever economically feasible, when repairing fleet vehicles. (Current Law Sec. 813(5)) Senate concurred with Governor.
4. **Enterprisewide IT Investments.** Requires the Department to develop a plan regarding the use of funds appropriated in Part 1 for the Enterprisewide IT Investments program. Also requires the Department to notify the Legislature and the fiscal agencies when an IT investment project will require the transfer of \$500,000 or more from another project. **Governor:** removed the notification to the Legislature portion of the language. (Current Law Sec. 814) Senate concurred with Governor.
5. **IT Investments Program Expansion. Governor:** added new language requiring the Department to use any increase in funding for the program to be used for the modernization of state IT systems, improvement of the State's cyber security framework, and to achieve efficiencies. Senate concurred with Governor. (Sec. 814a)

6. **Vendor Call or Contact Centers. Governor:** removed current year language requiring disclosure of location of call/contact centers. (Current Law Sec. 817) Senate concurred with Governor.
7. **Legacy Costs.** Language lists the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimate of the amount of pension-related legacy costs. **Governor:** Updated the amounts to reflect the amounts needed for FY 2015-16. (Current Law Sec. 822i; Gov. Sec. 18-822a) Senate concurred with Governor.
8. **Regional Prosperity Grants.** Provides boilerplate language describing the qualification process for the Regional Prosperity Grant Program. (Current Law Sec. 890) **Governor:** made this an on-going program and moved the boilerplate language to the main boilerplate section of the bill as a new section. The Governor also revised and updated the language, updated dates in subsection (9), and added new subparts within the new section. (Gov. Sec. 18-822c) **Senate: concurred with Governor but revised language for clarification. (Sen. Sec. 822j)**
9. **Report for Office of Urban Initiatives. Senate:** Added new language requiring a report by April 15 to the Legislature and the fiscal agencies on the expenditures for the office of urban initiatives. The report shall provide information detailing the economic impact and job growth initiatives for each urban and metropolitan area receiving funds under part 1. (**NEW** Sec. 822l)
10. **Cloud Computing.** Requires the Department to conduct an analysis of using public or private cloud computing technologies for new projects. **Governor:** eliminated section. (Current Law Sec. 836) Senate concurred with Governor.
11. **Online Citizens Guide and Dashboard.** Requires the department to issue an RFP for a publicly accessible statewide online citizens guide and dashboard web service that offers access to State of Michigan reports and data from municipalities, local, and intermediate school districts as a common transparency solution and that has a fiscal stress warning system as a component. **Governor:** eliminated section. (Current Law Sec. 840) Senate concurred with Governor.
12. **State Building Authority Authorizations.** Language requires the Legislature to determine that funding provided in Part 1 is for the leasing of facilities to be used for a public purpose. **Governor:** eliminated section. (Current Law Sec. 866) Senate concurred with Governor.
13. **Farnum Building Sale Proceeds. Governor:** Added new language requiring the proceeds from the sale of the building to be appropriated to the Department in accordance with any legislation that is enacted that authorizes the sale. If the net proceeds from the sale of the Farnum building are less than the \$7.0 million authorized in current law Section 896 for Senate relocation costs, then the difference between the net sale proceeds and \$7.0 million shall be appropriated by the Legislature to the Department. (Gov. Sec. 18-867) Senate concurred with Governor.
14. **Litigation Fund Report.** Requires a quarterly report to the Legislature on litigation fund expenditures by case, purpose, and department involved. **Governor:** eliminated section. (Current Law Sec. 891) **Sen: retained language but moved to Sec. 822k.**
15. **Michigan Business One-Stop Depreciation Expenses.** Language states that the amount appropriated in Part 1 for depreciation expenses shall be expended solely to pay the remaining capitalized development cost of the Michigan Business One-Stop. Language also stipulates that the budget director shall reduce the user fees charged to State departments by amounts equivalent to the reduction in appropriation for the Michigan Business One-Stop. The Department shall not charge State departments or agencies for maintenance or operation of the Michigan Business One Stop. Also allows the Department to expend up to \$1.5 million on continued maintenance and operation of the program and that departments or agencies may not be charged IDGs or other sources of financing. **Governor:** eliminated section. (Current Law Sec. 895) Senate concurred with Governor.
16. **Senate Relocation from Farnum Building.** Allows up to \$7.0 million of the funds appropriated in Part 1 to be made available to the Senate for future lease, purchase, and transition costs related to the relocation from the Farnum Building. **Governor:** eliminated section. (Current Law Sec. 896) Senate concurred with Governor.
17. **One-Time Special Projects Earmarks.** Language earmarks \$250,000 of One-Time Special Projects funding for the Catholic Charities Center for Hope and \$500,000 for payments to individuals and surviving spouses receiving retirement payments under Section 411 of the Michigan Military Act. **Governor:** eliminated section. (Current Law Sec. 897) Senate concurred with Governor.
18. **Other Deletions.** In keeping with the condensed structure of the Governor's budget, the following current-year language sections and/or subsections were not included: 808a, 810, 815, 816, 821, 822, 822f, 822g, 822h, 824 (required report only), 827(4), 828, 829, 830, 831, 832, and 862. The majority of these sections required the Department to provide either reports or notifications to the Legislature. **Senate: retained Sections 810, 816, 821, 822, 822f, 827(4), 828, 832, and 862.**



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Senate Bill 133 (Substitute S-1)
 Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	N/A	N/A	N/A	N/A
GROSS	152,395,000	156,449,000	4,054,000	2.7
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	152,395,000	156,449,000	4,054,000	2.7
Less:				
Federal Funds	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	152,395,000	156,449,000	4,054,000	2.7
Less:				
Other State Restricted Funds	0	0	0	0.0
GENERAL FUND/GENERAL PURPOSE	152,395,000	156,449,000	4,054,000	2.7
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation	\$152,395,000
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Changes from FY 2014-15 Year-to-Date:

- Clean Michigan initiative.** The Governor/Senate increase debt service payments for this bond. Of the total, \$5,211,012 is due to changes to existing debt and \$1,525,988 is due to projected new bond issues for FY 2015-16. This increased total debt service payments for this bond to \$63,961,000. 6,737,000
- Great Lakes water quality bond.** The Governor/Senate increased debt service payments to this bond. Of the total, there is a \$2,312,879 reduction for existing bonds and a \$5,030,879 increase due to projected new bond issues for FY 2015-16. This increased total debt service payments to this bond to \$16,529,000. 2,718,000
- Quality of life bond.** The Governor/Senate reduced payments to this bond. Of the total, there is a \$5,561,293 reduction for existing bonds and a \$160,291 increase due to projected new bond issues for FY 2015-16. This reduced total debt service payments for this bond to \$75,959,000. (5,401,000)
- Economic Adjustments.** None
- Comparison to Governor's Recommendation.** The Senate is \$0 Gross over/under and \$0 GF/GP over/under the Governor.

Total Changes	\$4,054,000
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FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$156,449,000
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FY 2015-16 TREASURY- DEBT SERVICE BUDGET

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. There are no boilerplate changes related to Debt Service in Treasury.

Date Completed: 4-28-15

Fiscal Analyst: Cory Savino



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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	1,863.5	1,901.5	38.0	2.0
GROSS	554,336,400	533,426,200	(20,910,200)	(3.8)
Less:				
Interdepartmental Grants Received	9,409,100	9,500,700	91,600	1.0
ADJUSTED GROSS.....	544,927,300	523,925,500	(21,001,800)	(3.9)
Less:				
Federal Funds.....	39,705,400	39,661,500	(43,900)	(0.1)
Local and Private	2,005,600	9,055,100	7,049,500	351.5
TOTAL STATE SPENDING.....	503,216,300	475,208,900	(28,007,400)	(5.6)
Less:				
Other State Restricted Funds.....	381,548,000	354,978,600	(26,569,400)	(7.0)
GENERAL FUND/GENERAL PURPOSE.....	121,668,300	120,230,300	(1,438,000)	(1.2)
PAYMENTS TO LOCALS	197,086,000	199,157,300	2,071,300	1.1

FY 2014-15 Year-to-Date Gross Appropriation	\$554,336,400
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Changes from FY 2014-15 Year-to-Date:

- 1. City Income Tax Administration.** The Governor/Senate created a program that supports cities in the collection of city income taxes. There are also 24.0 FTEs included in this program. The program would be funded by local funds from the Local City Income Tax fund. 7,050,000
- 2. Payments in Lieu of Taxes (PILT).** The Governor/Senate increased this unit in order to ensure that it is being fully funded in accordance to statute and for scheduled statutory increases in the Swamp and Tax Reverted Land Program from \$3 per acre to \$4 per acre. GF/GP supports \$4.5 million of the total. 4,919,200
- 3. Financial Independence Team.** The Governor/Senate restored the cuts to the financial independence team that were done in H.B. 4112. 2,250,000
- 4. Financial Review Commission.** The Governor/Senate created the Financial Review Commission to provide ongoing support to review Detroit compliance with the Detroit Bankruptcy package that was passed in 2014. 2,000,000
- 5. Treasury Online Business Portal.** The Governor/Senate created a new Department of Treasury Business Portal funded at \$2.6 million of which, \$2.0 million is appropriated as ongoing while \$600,000 is one-time. The funds go to the Information Technology line item. 2,600,000
- 6. Personal Property Tax Reform and Essential Services Assessment Act program.** The Governor/Senate increased administrative support for this program. 9.0 FTEs and \$1.5 million have been moved from one-time implementation to ongoing administration. The Governor also increased the program by an additional \$1.8 million and 2.0 FTEs totaling \$3,345,000 in FY 2015-16. 1,845,000

FY 2015-16 TREASURY - OPERATIONS BUDGET

7. Casino & Gaming Legal Affairs. The Governor/Senate increased the Casino gaming control administration line item to provide licensing and regulation associated with live horse races, verifying electronic gaming devices, and enhancing the agency's communication strategies. No additional GF/GP is included in this increase.	514,100
8. Data Collection Authorization Increase. The Governor/Senate increased the Financial and Administrative Services unit due to additional data collection fees.	40,000
9. Lottery Promotion and Advertising. The Governor/Senate removed the Lottery Promotion and Advertising line item, however, boilerplate sec. 964 was added that allows the Department to use 1% of the lottery gross sales towards promotion and advertising.	(18,622,000)
10. Administrative Efficiency Reduction. The Governor/Senate continued reductions in multiple line items due to administrative efficiencies, first done in E.O. 2015-5 and H.B. 4112, and increased them by \$800,000 for FY 2015-16.	(800,000)
11. Land Reutilization Funding. The Governor/Senate reduced funding to the Supervision of the General Property tax law line item due to decreased revenue from Land Reutilization Fund fees. This cut is not offset by any additional funds.	(3,304,500)
12. Senior Citizen Cooperative Housing Tax Exemption. The Governor/Senate continued the reduction in funding to this line item, first done in E.O. 2015-5. Costs of this program have been reduced due in part to reassessments of property values. The reduction reflects the anticipated lapse amount.	0
13. Elimination of One-Time items. The Governor/Senate eliminated the one-time appropriations of \$600,000 that went towards creating a system that allows individuals to pay income tax owed on credit cards, and a \$1.1 million grant to Flint for police and fire.	(1,600,000)
14. Remove Supplemental Funding. The Governor/Senate eliminated FY 2014-15 supplemental funding. PA 282 and 182 of 2014 made one-time appropriations to Tax and Economic Policy (\$1.0 million) and Executive Operations (\$100,000). H.B. 4112 made a one-time special grant for the proposed ballot proposal (11.0 million), Casino IT upgrades (\$3.0 million), income tax fraud prevention start-up (\$1.6 million), and driver responsibility fee phase-out (\$550,000).	(17,250,000)
15. Economic Adjustments. Standard economic adjustments increased \$1,752,600 Gross and \$284,500 GF/GP. However, economic adjustments for OPEB more than offset the increase in standard economics, and totaled a negative \$2,252,700 Gross and negative \$373,500 GF/GP. Other economic adjustments totaled a negative \$51,900 Gross and negative \$12,500 GF/GP.	(552,000)
16. Comparison to Governor's Recommendation. The Senate is \$0 gross and \$0 GF/GP over/under the Governor.	
Total Changes	(\$20,910,200)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$533,426,200

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Deleted by Governor and Senate.** The Governor/Senate deleted sections, this includes a restriction on bridge cards for lottery tickets (963) and the one-time grant to the city of Flint (949a). (Secs. 963 & 949a)
2. **Deleted by Governor, Retained by Senate.** The Governor deleted and Senate retained a couple sections, this includes notification of bond refinancing (902a) and the Personal Property Tax audit report (927). (Secs. 902a & 927)
3. **New sections from Governor, concurred by Senate.** The Senate concurred with a number of new/modified sections that were proposed by the Governor, this includes:
 - i. Requiring that personal property tax payments be in compliance with statute. (Sec. 949a)
 - ii. Providing guidelines and benchmarks for the City Income Tax Administration program. (Sec. 949b)
 - iii. Providing guidelines and benchmarks for the Online Business Portal. (Sec. 949c)
 - iv. Providing guidelines and benchmarks for the Financial Review Commission. (Sec. 949d)
 - v. Providing guidelines and benchmarks for the phase-in of the Essential Services Assessment program. (Sec. 949e)

- vi. Allowing Tobacco Tax revenue within Wayne County to move from one indigent care program in the county to another health care program. (Sec. 949f)
- 4. **Income Tax Fraud Prevention.** The Senator concurred with a section added by the Governor, which allows Treasury to contract with a private agency to prevent the disbursement of fraudulent tax returns. A portion of the funds that have been prevented from being disbursed goes towards funding this program, but it cannot exceed \$1.6 million. The section also requires a report to the Legislature on the amount of fraudulent tax returns that were stopped. \$1.6 million in delinquent tax revenue was put into the FY 2014-15 supplemental (H.B. 4112), which started this program. (Sec. 948)
- 5. **Audits Modification.** The Senate concurred with a section that was modified by the Governor, which reduced the assessment and certification division audits on locals units from a full 14-point review for one local unit in each county to an audit of minimum assessing requirements review for each county. (Sec. 945)
- 6. **Lottery Promotion.** The Senate concurred with a new section that was added by the Governor, which allows 1% of gross lottery sales to be used towards promotion. (Sec. 964)
- 7. **Audit Charges.** The Senate modified language in section 906 to restrict the cost that audits can be charged to the exact cost for performing the audit. (Sec. 906)
- 8. **Unclaimed Property audits.** The Senate modified section 919 so that private auditors can only be charged at a market value, hourly basis, and not on a contingency basis. (Sec. 919)
- 9. **Pension Plan Consultants.** The Governor deleted and Senate retained with modification, sec. 945 to require that the department retain reports from pension plan consultants and make them available to the legislature upon request. (sec. 945)
- 10. **Technical Adjustments.** The Governor/Senate made multiple technical adjustments to reflect date changes, payments to locals adjustments, and legacy cost adjustments.

Date Completed: 4-28-15

Fiscal Analyst: Cory Savino



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Senate Bill 133 (Substitute S-1)
 Committee: Appropriations

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	N/A	N/A	N/A	N/A
GROSS	1,232,694,000	1,251,661,100	18,967,100	1.5
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS.....	1,232,694,000	1,251,661,100	18,967,100	1.5
Less:				
Federal Funds.....	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING.....	1,232,694,000	1,251,661,100	18,967,100	1.5
Less:				
Other State Restricted Funds.....	1,232,694,000	1,251,237,000	18,543,000	1.5
GENERAL FUND/GENERAL PURPOSE.....	0	424,100	424,100	- -
PAYMENTS TO LOCALS	1,232,694,000	1,251,661,100	18,967,100	1.5

FY 2014-15 Year-to-Date Gross Appropriation	\$1,232,694,000
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Changes from FY 2014-15 Year-to-Date:

- 1. Constitutional Revenue Sharing.** The Governor recommended \$788,497,000 for constitutional revenue sharing in FY 2015-16, an increase of 3.1% over the January 2015 consensus estimate of payments in FY 2014-15. Constitutional revenue sharing is paid to cities, villages, and townships on a per-capita basis. The Senate concurred. 23,843,000
- 2. City, Village, and Township Revenue Sharing.** The Governor reduced nonconstitutional (statutory) revenue sharing to CVTs by 2.3% to \$243,040,000. The Governor removed the per capita payment option for CVTs with a population over 7,500 that was included in the FY 2014-15 budget. This would remove 101 local units of government (100 townships and 1 city) from eligibility for a payment, leaving 486 eligible local units, the same units as in FY 2013-14. The Senate concurred with Governor in removal of the per capita payment. The Senate added \$424,100 for alternate payments which would prevent a local unit that received a per capita payment in FY 2014-15 from declining in total revenue sharing (constitutional and statutory) from FY 2014-15 to FY 2015-16. It is estimated that 103 CVTs would receive alternate payments under this provision. The total of alternate payments would be capped at \$424,100 and prorated as necessary. The Senate provided \$243,464,100 in CVT revenue sharing in FY 2015-16. (5,375,900)
- 3. County Revenue Sharing and County Incentive Program.** The Governor increased revenue sharing funding for counties by \$3.5 million to \$214.7 million to cover the cost of counties that return to State-paid revenue sharing for the first full or part-year of payments in FY 2015-16. The line item for County Revenue Sharing would receive \$2.8 million and the County Incentive Program (which requires compliance with accountability and transparency requirements) would receive \$700,000. The Senate concurred. 3,500,000
- 4. Financially Distressed Cities, Villages, and Townships.** This grant program to CVTs with signs of probable financial distress would be reduced from \$8.0 million in FY 2014-15 to \$5.0 million in FY 2015-16. The Senate concurred. (3,000,000)

5. **Comparison to Governor's Recommendation.** The Senate is \$424,100 Gross over and \$424,100 GF/GP over the Governor.

Total Changes	\$18,967,100
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$1,251,661,100

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **City, Village, and Township Revenue Sharing Eligibility.** The Governor deleted the distribution of \$2.64659 per capita to CVTs with a population of over 7,500 that was in effect for FY 2014-15. Eligibility remains for CVTs that received a statutory revenue sharing payment in FY 2009-10 greater than \$4,500. Those CVTs are eligible for up to 78.51044% of the payment received in FY 2009-10. The Senate concurred with Governor in elimination of the per capita payment and retention of the payment calculation for CVTs that received at least \$4,500 of statutory revenue sharing in FY 2009-10. The Senate added alternate payments for CVTs that received a per capita payment in FY 2014-15. The alternate payment would be the amount by which the total of statutory and constitutional revenue sharing in FY 2015-16 (excluding the new alternate payment) was less than the total of statutory and constitutional revenue sharing in FY 2014-15, for CVTs that received a per capita payment in FY 2014-15. The total of the alternate payments would be capped at \$424,100 and prorated as necessary. (Sec. 952)
2. **Accountability and Transparency.** The Governor revised the accountability and transparency criteria for CVTs and counties to specify that the report of debt service payments includes payments until maturity of the debt and to require that eligible CVTs and counties include information in any general mailing to citizens about the internet or physical location of the accountability and transparency reports. The Senate concurred. (Sec. 952)
3. **County Revenue Sharing Withholding.** The Governor authorized the withholding of revenue sharing payments to a county if the county is more than three months delinquent in maintaining the county child care fund or State ward board and care chargeback obligations. These obligations relate to foster care and juvenile justice. The Senate allowed payments to be withheld if the county is at least 6 months delinquent, the Department of Human Services previously has notified the county court administrator and the chair of the county board of commissioners that the county was 3 months delinquent, the amount of the withholding is limited to the amount of the delinquency, and the withholding is only implemented after the director of DHS sends a formal, written notice to Treasury that states that the county is at least 6 months delinquent, the amount of the delinquent payments, and that payments should be withheld. (Sec. 952(5)(i))
4. **Financially Distressed CVTs.** The Governor delayed the report date for grant awards from March 15 to September 30. The Governor expanded examples of allowable uses for the grants. The Governor added replacement of critical infrastructure (instead of just repair), added repair or replacement of critical equipment owned by the CVT; permitted qualifying infrastructure to be either owned or maintained by the CVT (as opposed to "owned and maintained" by the CVT; allowed funds to be used to reduce any type of debt service obligations (not just obligations supported by the local general fund), and specified that shared services are provided in conjunction with another jurisdiction. The Governor also updated work project amounts and dates and removed the direction for Treasury to establish an application process. The Senate retained language on the application process, changed the report due date to March 31, and concurred with Governor on other items. (Sec. 20-956)
5. **County Revenue Sharing - Statement of Purpose.** The Governor added language to state that the purpose of the increased funding for county revenue sharing is to provide the funding allowed under Sec. 44a of the General Property Tax Act. Senate did not include. (Sec. 20-957)
6. **Online Financial Accountability Reporting System.** The Governor deleted language that required the Department of Treasury to work with the Department of Technology, Management, and Budget to issue a request for proposals (RFP) for a statewide financial accountability reporting system accessible to the general public and report on the status of the RFP by March 15. The Senate concurred. (Sec. 958)

Date Completed: 4-28-15

Fiscal Analyst: Elizabeth Pratt



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			AMOUNT	PERCENT
FTE Positions.....	756.0	756.0	0.0	0.0
GROSS	1,002,779,900	1,006,582,500	3,802,600	0.4
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS.....	1,002,779,900	1,006,582,500	3,802,600	0.4
Less:				
Federal Funds.....	627,370,300	627,305,000	(65,300)	(0.0)
Local and Private	10,088,400	10,082,500	(5,900)	(0.1)
TOTAL STATE SPENDING.....	365,321,200	369,195,000	3,873,800	1.1
Less:				
Other State Restricted Funds.....	142,678,700	181,088,000	38,409,300	26.9
GENERAL FUND/GENERAL PURPOSE.....	222,642,500	188,107,000	(34,535,500)	(15.5)
PAYMENTS TO LOCALS	11,224,800	15,224,800	4,000,000	35.6

FY 2014-15 Year-to-Date Gross Appropriation	\$1,002,779,900
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Changes from FY 2014-15 Year-to-Date:

- 1. Restore Supplemental Reductions.** House Bill 4112 resulted in a one-time decrease of \$22.0 million in Gross and GF/GP. These reductions occurred in Business Attraction and Community Revitalization (\$2.2 million), Entrepreneurship Eco-systems (\$7.8 million), and Film Incentives (\$12.0 million). The Governor and Senate restored these cuts for FY 2015-16. 22,000,000
- 2. Pure Michigan.** The Governor increased \$1.0 million in 21st Century Jobs Trust Fund to this line item. This increased total appropriations to \$30.0 million. The Senate increased 21st Century Job Trust Fund by an additional \$5.0 million to \$35.0 million. 6,000,000
- 3. Charles H. Wright Museum.** The Senate added a \$100 placeholder in one-time appropriations for capital improvements at the Charles H. Wright Museum of African American History. 100
- 4. Elimination of One-time items.** The Governor/Senate eliminated the FY 2014-15 one-time appropriations for special grants (\$15.8 million) and the automotive, engineering and manufacturing fund (\$2.0 million). (17,750,000)
- 5. Business Attraction and Community Revitalization.** The Governor reduced \$1.0 million in 21st Century Jobs Trust Fund from this line item. The Senate reduced 21st Century Job Trust Fund by an additional \$5.0 million, decreasing gross appropriations to \$124.0 million. The Senate also reduce general fund by \$38.5 million. Of the total, \$17.9 million in one-time funding was replaced with MEDC Corporate Revenue, and \$20.6 million in ongoing funding was replaced with 21st Century Permanent Fund revenue, decreasing GF/GP appropriations to \$70.5 million. Section 1002 provides intent language for use of the two funds. The Senate also transferred \$100 to the capital improvements for the Charles H. Wright Museum. (6,000,100)

FY 2015-16 TREASURY - MICHIGAN STRATEGIC FUND BUDGET

6. **Michigan Film Office.** The Governor/Senate eliminated the GF/GP to this office, which reduces total appropriations to \$653,800. However, statute allows for up to 4% of the total appropriations to the film incentive program to go towards administration, which can support the office. (237,100)
7. **Economic Adjustments.** Economic adjustments increased \$210,000 Gross and \$93,900 GF/GP. Also includes negative \$413,800 Gross and negative \$142,300 GF/GP for OPEB and negative \$6,500 Gross and \$0 GF/GP for other economic adjustments. (210,300)
8. **Other Changes.** The Governor consolidated ten Workforce Development line items into two. The consolidation resulted in no overall change to the line items other than economic adjustments. The Senate did not concur with the Governor's consolidation, maintaining current law with economic adjustments
9. **Comparison to Governor's Recommendation.** The Senate is equal in Gross and \$38.5 million in GF/GP under the Governor.

Total Changes	\$3,802,600
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$1,006,582,500

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **MEDC Corporate Revenue/21st Century Permanent Fund.** The Senate added legislative intent language to use MEDC corporate revenue and revenue from the 21st Century Permanent Fund to replace reductions in GF/GP. (Sec. 1002)
2. **Deleted by Governor and Senate.** The Governor and Senate deleted a number of sections, this includes: the Housing Rehabilitation Task Force (990), restrictions on future funding for Business Incubators (1034(2)), the bond issuance for the Facility for Rare Isotope Beams (1037(1)), limit on business attraction and community revitalization appropriation transfer (1041), funding for the West Michigan film office (1043), the Michigan Heritage Restoration program (1044 & 1049), bond issuances for the Community College Skilled Trades Equipment program (1052), the Aerospace Supplier program (1057), the Low-income transportation workgroup (1058), the Pre-college Engineering program (1059), and the GED-to-school program (1069). (Secs. 990, 1034(2), 1041, 1043, 1044, 1049, 1052, 1057, 1058, 1059, 1069)
3. **Sections retained by the Senate, deleted by the Governor.** The Senate retained a number of sections that were deleted by the Governor, this includes: MSDHA reports (980 & 981), the Land Bank Fast Track Authority report (985), references to loans made by the Michigan film office (1032), administrative oversight on the construction of the Facility for Rare Isotope Beams (1037), and the Workforce Development workgroup (1070). (Secs. 980, 981, 985, 1032, 1037)
4. **New/Modified sections proposed by the Governor, concurred by the Senate.** The Senate concurred with a number of new/modified sections that were proposed by the Governor, this includes: modifications to the Pure Michigan report (1007), removing references to indirect economic impact, jobs, and private investment from the film incentive report (1033), allowing the skilled trades training program to use up to \$5.0 million towards matching Federal funds (1039b), a new report on the status of skilled trades equipment projects (1052), providing benchmarks for the one-time funding for Business Attraction and Community Revitalization (1071), and providing benchmarks for the one-time funding for Film Incentives (1072). (Secs. 1007, 1033, 1039b, 1052, 1071, 1072)
5. **Iraq War Refugees.** The Senate allocated \$500,000 from Community Ventures to be used towards workforce development for refugees of the Iraq war. (Sec. 1073)
6. **Unmanned Aerial Systems technology.** The Senate allocated an award of \$750,000 from Business Attraction and Community Revitalization to consortiums that are developing unmanned aerial systems technology. (Sec. 1074)
7. **Van Andel Institute.** The Senate allocated up to \$1.0 million from Entrepreneurship Eco-system to the Van Andel Institute to use for matching Federal funds, Private/nonprofit grants, and private contributions. (Sec. 1075)
8. **Technical Changes.** The Governor and Senate made a number of technical adjustments throughout the bill to reflect date changes, alignment with statute, consistency in reporting, and Legacy Cost adjustments.

Date Completed: 4-28-15

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			AMOUNT	PERCENT
FTE Positions.....	12,201.5	11,968.9	(232.6)	(1.9)
GROSS	5,721,841,700	5,720,733,500	(1,108,200)	(0.0)
Less:				
Interdepartmental Grants Received	21,545,900	24,260,300	2,714,400	12.6
ADJUSTED GROSS.....	5,700,295,800	5,696,473,200	(3,822,600)	(0.1)
Less:				
Federal Funds.....	4,540,108,400	4,538,537,600	(1,570,800)	(0.0)
Local and Private	61,407,600	66,766,300	5,358,700	8.7
TOTAL STATE SPENDING.....	1,098,779,800	1,091,169,300	(7,610,500)	(0.7)
Less:				
Other State Restricted Funds.....	117,624,300	117,333,400	(290,900)	(0.2)
GENERAL FUND/GENERAL PURPOSE.....	981,155,500	973,835,900	(7,319,600)	(0.7)
PAYMENTS TO LOCALS	97,343,300	96,252,900	(1,090,400)	(1.1)

FY 2014-15 Year-to-Date Gross Appropriation	\$5,721,841,700
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Changes from FY 2014-15 Year-to-Date:

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|--|------------|
| 1. Investment: Child Care Licensing Consultants. Governor included Federal funding for an additional 39.0 FTEs to meet Federal program standards. Senate concurred. | 5,661,500 |
| 2. Investment: Donated Funds Positions. The Governor included Federal, Local, and Private funding for 200.0 FTE eligibility workers for Medicaid and public assistance determination. Senate concurred. | 20,551,200 |
| 3. Michigan Rehabilitation Services (MRS). Governor provided \$1.3 million Gross and \$3.6 million GF/GP for the program services. Senate did not concur. | 0 |
| 4. MRS Minimum Wage Increase. Governor provided funding for the minimum wage increase. Senate concurred. | 71,700 |
| 5. Guardian Contract. Governor recognized increased costs associated with guardianship assistance for adult clients. More counties require attorney rather than caseworker representation. Senate concurred. | 50,000 |
| 6. Vital Statistics Expenses. Governor recognized increased costs to retrieve vital statistics from the Department of Community Health. Senate concurred. | 300,000 |
| 7. Administrative Hearing Costs. Governor recognized indirect costs for administrative hearings. Senate concurred. | 851,400 |
| 8. Disability Determination and Fraud Prevention. Governor recognized GF/GP savings from Cooperative Disability Investigation (CDI) expansion and consolidation of Disability Determination Services, and increased IDG for Retirement Disability services. Senate concurred. | 85,900 |

FY 2015-16 HUMAN SERVICES BUDGET

9. Modified Settlement Agreement (MSA). Governor increased charges from the MSA monitor. Senate concurred.	260,000
10. Remove \$3 Administrative Rate Increase. Governor eliminated a temporary rate increase from \$37 to \$40 for private child placing agencies (\$5.1 million). Senate did not concur.	0
11. Private Residential Facility Rate Increase. Governor eliminated a temporary rate increase for private residential facilities (\$3.7 million). Senate did not concur.	0
12. Cost Share for Foster Care Case Assignment. Governor reinstated the 50-50 cost share between the counties and State for the \$37 administrative rate for private child placing agencies and retained \$1.6 million for transfers to the public sector. Senate redirected the \$1.6 million to hold the counties harmless and added a \$100 placeholder.	(3,387,300)
13. Kent County Performance Based Pilot Program and Case Rate. Governor held Kent County harmless for the foster care administrative rate. Senate added a \$100 placeholder.	1,737,500
14. Kent County Lead Agency. Senate added placeholder for lead agency pilot program costs.	100
15. Redetermined Adoption Assistance. Governor retained \$1.0 million for redetermined subsidies for special needs adopted children. Senate reduced the funding to \$0.6 million.	(7,300,000)
16. Grants for In-Home Juvenile Justice Programs. Governor retained \$0.4 million for grants. Senate concurred.	(600,000)
17. Parent-to-Parent Program. Governor eliminated peer mentoring program for adoptive parents. Senate retained \$0.4 million for the program.	(150,000)
18. Swift-and-Sure Program with MRS. Governor eliminated \$3.0 million IDG from the Department of Corrections. Senate concurred and removed Federal authorization.	(14,084,500)
19. Centers for Independent Living. Governor reduced funding for pilot program and expansion by \$1.5 million. Senate did not concur.	0
20. School Success Partnership for NEMCSA. Governor eliminated program funding for \$0.3 million. Senate did not concur.	0
21. JJ Vision 20/20 Project. Governor eliminated program. Senate retained \$100 placeholder.	(999,900)
22. Child Support. Governor required cooperation with child support for public assistance eligibility. Senate concurred.	(900,300)
23. Local Offices. Governor recognized savings from Rent and Building Occupancy Charges. Senate assumed additional savings.	(6,099,300)
24. Automated Asset Test. Governor eliminated automated asset tests for eligibility determination. Senate concurred.	(5,000,000)
25. Electronic Notifications. Governor reduced paper notifications for MiBridges and MICSES clients. Senate concurred.	(2,865,000)
26. Extended Family Independence Program (EFIP). Governor eliminated \$10 per month program. Senate concurred.	(116,400)
27. Short-Term Family Support. Governor eliminated \$1,513 payment that served 40 cases annually. Senate concurred.	(726,200)
28. SSI Advocates. Governor eliminated 8.0 FTEs due to Disability Determination Services consolidation. Senate concurred.	(795,800)
29. PATH Coordinators. Governor reduced welfare-to-work coordinators by 9.0 FTEs. Senate concurred.	(1,002,400)
30. Peer Coaches. Governor reduced non-MSA child welfare services workers by 10.0 FTEs. Senate concurred.	(1,035,700)
31. Recoupment Positions. Governor reduced positions by 1.0 FTE. Senate concurred.	(124,100)
32. Non-Family Independence Specialists (FIS). Governor reclassified positions at a lower pay rate. Senate concurred.	(550,000)

FY 2015-16 HUMAN SERVICES BUDGET

33. Travel Reimbursements. Governor reduced travel reimbursements for child welfare staff training. Senate concurred.	(300,000)
34. Child Welfare Training Institute. Governor recognized prior year funding lapse. Senate concurred.	(100,000)
35. Laptops for Executives. Governor eliminated 52 laptops for executives who also have a tablet. Senate concurred.	(85,900)
36. W.J. Maxey Training School. Governor recognized prior year funding lapse. Senate did not concur due to the proposed closure of the facility.	0
37. Child Welfare Caseload Adjustments. Adjusted baseline projections.	(1,426,400)
38. Public Assistance Caseload Adjustments. Adjusted baseline projections.	8,163,500
39. One-Time Appropriations. Governor removed FY 2014-15 one-time funding and included new funding for employment and training services pilot program (\$800,000 Gross and \$400,000 GF/GP). Senate did not concur with new program.	(5,150,000)
40. Budgetary Savings. Governor and Senate annualized 332.0 FTE reduction in FY 2014-15.	(6,296,800)
41. Fund Source Adjustments. Governor included fund source adjustments totaling \$0 Gross/\$8.7 million GF/GP. Senate reduced GF/GP increases in non-salary and wages lines.	(1,497,700)
42. Closure of W.J. Maxey Training School. Senate closed the public juvenile justice facility.	(7,543,300)
43. Drug Testing for Family Independence Program (FIP). Senate funded a pilot program.	275,000
44. Michigan 2-1-1. Senate included a placeholder for the program.	100
45. Juvenile Justice Administration and Maintenance. Senate reduced funding due to prior year lapses and the closure of Maxey Training School.	(400,000)
46. Homeless Programs. Senate reduced funding for prior year lapses.	(300,000)
47. Emergency Services Local Office Allocations. Senate continued FY 2014-15 reduction.	(1,151,000)
48. Supplemental and Executive Order Reductions in FY 2014-15.	33,333,000
49. Economic Adjustments. Includes a negative \$12,511,600 Gross and negative \$4,020,200 GF/GP for OPEB and \$10,061,300 Gross and \$3,293,200 GF/GP for other economic adjustments.	(2,450,100)
50. Other Changes. Restructure of budget bill, FMAP adjustment to 65.60%, program and legislative transfers, align FTE counts with actual appropriations.	(11,000)
51. Comparison to Governor's Recommendation. The Senate is \$13.6 million Gross under and \$5.1 million GF/GP under the Governor.	
Total Changes	(\$1,108,200)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$5,720,733,500

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Internet Reporting.** New Governor's language allowed the Department to fulfill the reporting requirement either through email, the internet, or intranet. Senate did not concur. (Sec. 208)
2. **Terminal Leave Pay Outs.** New Governor's language required spending to align with Gross appropriation in the line. Senate concurred. (Sec. 316)
3. **Child Care Licensing Consultants.** New Governor's language required the Department to pay for additional Child Care Licensing Consultants from an IDG from the Michigan Department of Education. Senate concurred. (Sec. 317)
4. **Donated Funds Positions.** New Governor's language increased the outstationed eligibility specialists to staff adult placement and independent living settings, health clinics, hospitals with high uncompensated care, and other sites. Senate revised the language and moved it from Sec. 752 to Sec. 750. (Sec. 750)

5. **Kent County Privatization.** Governor replaced current language with revised reporting requirements. Senate concurred. (Sec. 515)
6. **Reporting Revisions.** Governor added State Budget Office to agencies receiving reports. Senate concurred. (Secs. 279, 505, 515, 523, 583, and 677)
7. **Payroll Taxes and Fringe Benefits Report.** New Senate language required periodic status reports. (Sec. 232)
8. **Merger with the Department of Community Health.** New Senate language required annual report. (Sec. 233)
9. **County Revenue Sharing.** New Senate language required DHS to notify counties of delinquent payments. (Sec. 294)
10. **Residential Staffing Ratio.** New Senate language allows DHS to implement a ratio of 1 staff to 5 children. (Sec. 593)
11. **Federal Disability Eligibility.** New Senate language required report on Federal disability eligibility. (Sec. 614)
12. **Closure of W.J. Maxey Training School.** New Senate language closed the public juvenile justice facility. (Sec. 709)
13. **Benchmarks for Program Increases.** Revised current language on increases of \$500,000 or more. (Sec. 206)
14. **Workgroups.** Governor removed workgroups on transportation services, TANF utilization in Michigan Works!, assisted living services, and Medicaid. Senate revised language on Medicaid. (Secs. 227, 229, 315, and 603)
15. **Michigan Rehabilitation Services (MRS).** Governor removed language on MRS audit and reporting, and the order of selection for services. Senate did not concur and revised current year language. (Secs. 403 and 405)
16. **Private Agency Rates.** Governor removed increases for administrative rate and residential services. Senate did not concur. (Sec. 546)
17. **Foster Care Case Assignment.** Governor removed language requiring the Department to pay 100% of the administrative rate for child placing agencies. Senate did not concur. (Sec. 589)
18. **Redetermined Adoption Assistance.** Governor removed language to provide redetermined subsidies for special needs adopted children. Senate revised the language. (Sec. 556)
19. **Performance Based Contracting.** Governor removed language describing a prospective payment system for child welfare services. Senate revised the language. (Sec. 503)
20. **Adoption.** Governor removed language requiring a minimum adoption rate. Senate did not concur. (Sec. 568)
21. **Centers for Independent Living.** Senate revised language on ongoing operations and removed language on pilot program. (Secs. 401 and 404)
22. **Assisted Living.** Senate added a reporting requirement. (Sec. 537)
23. **Child Welfare Training Institute.** Senate added data for the reporting requirement. (Sec. 558)
24. **Parent-to-Parent Program.** Senate added requirement for funds to be expended by Dec. 1. (Sec. 559)
25. **Parent-Child Visitations.** Senate added reporting requirement. (Sec. 564)
26. **Foster Child Medical Passport.** Senate removed references to school records and updated requirement. (Sec. 567)
27. **In-Home JJ Grants.** Senate added requirement to expend funds by Dec. 1. (Sec. 587)
28. **LEIN Reporting.** Senate changed the reporting date. (Sec. 617)
29. **JJ Vision 20/20.** Senate updated language to remove specific appropriation amount. (Sec. 703)
30. **Behavioral Health Study.** Senate updated language to require an implementation plan. (Sec. 711)
31. **School Success Partnership.** Senate added requirement for funds to be expended by Dec. 1. (Sec. 1108)
32. **Private Child Welfare Agencies.** Governor removed language on facility and license reviews, payment standards, and training. Senate did not concur. (Secs. 525, 532, 533, and 585)
33. **Marriage and Family Language.** Governor removed language on marriage and family initiatives. Senate did not concur. (Secs. 293, 415, and 416)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	337.0	337.0	0.0	0.0
GROSS	65,189,700	64,962,700	(227,000)	(0.3)
Less:				
Interdepartmental Grants Received	707,600	707,600	0	0.0
ADJUSTED GROSS.....	64,482,100	64,255,100	(227,000)	(0.4)
Less:				
Federal Funds.....	2,000,000	2,000,000	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING.....	62,482,100	62,255,100	(227,000)	(0.4)
Less:				
Other State Restricted Funds.....	62,427,100	62,200,100	(227,000)	(0.4)
GENERAL FUND/GENERAL PURPOSE.....	55,000	55,000	0	0.0
PAYMENTS TO LOCALS	0	0	0	0.0

FY 2014-15 Year-to-Date Gross Appropriation	\$65,189,700
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Changes from FY 2014-15 Year-to-Date:

- 1. Healthy Michigan Plan Reporting.** The Governor included \$150,000 GF/GP for the executive director program to administer reporting requirements under Medicaid expansion regarding evidence on rate changes. The Senate included \$55,000 GF/GP for this program. In FY 2014-15, \$55,000 GF/GP was appropriated to this program to create a baseline report. According to the Department, the cost of this program going forward has increased as more in-depth analysis is required in reports subsequent to the initial baseline report. 0
- 2. Michigan Business One Stop (MBOS) Reduction.** The Governor and Senate reduced IT funding due to decreased costs. The Department previously paid for MBOS portal services for online license applications. Since the Department started issuing licenses directly from its own website, this service was no longer needed. (78,500)
- 3. Economic Adjustments.** Includes a negative \$446,100 Gross and \$0 GF/GP for OPEB and \$297,600 Gross and \$0 GF/GP for other economic adjustments. (148,500)
- 4. Comparison to Governor's Recommendation.** The Senate is \$95,000 Gross and \$95,000 GF/GP under the Governor.

Total Changes	(\$227,000)
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FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$64,962,700
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Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Benchmarks and Performance Measurement.** The Governor deleted and the Senate retained a requirement for the Department to measure performance relating to expenditures for programs over \$0.5 million, and report on proposed benchmarks. (Sec. 205)
2. **Record Retention.** The Governor deleted and the Senate retained a requirement regarding retaining copies of reports in compliance with Federal and State guidelines for short-term and long-term record retention. (Sec. 212)
3. **Disciplinary Action.** The Governor deleted and the Senate retained a prohibition against the Department taking disciplinary action against an employee for communicating with a member of the Legislature or legislative staff. (Sec. 215)
4. **Office Space Reporting.** The Governor deleted and the Senate retained a requirement that the Department submit a report regarding the amount of office space square footage paid for and actually used by the department. (Sec. 219)
5. **Television and Radio Productions.** The Governor deleted and the Senate retained a prohibition against the Department developing or producing any television or radio productions. (Sec. 232)
6. **Full-time Equated Positions: Spending and Reporting.** The Governor deleted and the Senate retained a section which stated that it is the Legislature's intent that: 1) appropriations are properly accounted for, and 2) that full-time equated positions are not to be used as placeholders for spending in other parts of budgets. The section also required an annual report to the Legislature that details full-time equated position data. (Sec. 240)
7. **Economic Development Report.** The Governor deleted and the Senate retained a requirement for the Department to submit a report to the Legislature indicating funds spent and full-time positions used, and a plan for ongoing and future efforts, regarding support of economic development of the insurance or financial industries. (Sec. 310)
8. **Autism Coverage Fund.** The Governor deleted and the Senate modified reporting requirements regarding Autism Coverage Fund reimbursements to carriers for autism diagnosis and treatment. (Sec. 802)
9. **Department Scorecard.** The Senate included new criteria for the scorecard regarding metrics on annual rate filings from health insurance issuers. (Sec. 229)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	490.0	489.0	(1.0)	(0.2)
GROSS	287,767,600	285,401,300	(2,366,300)	(0.8)
Less:				
Interdepartmental Grants Received	2,364,400	2,362,900	(1,500)	(0.1)
ADJUSTED GROSS.....	285,403,200	283,038,400	(2,364,800)	(0.8)
Less:				
Federal Funds.....	6,437,400	6,428,600	(8,800)	(0.1)
Local and Private	8,185,900	8,171,900	(14,000)	(0.2)
TOTAL STATE SPENDING.....	270,779,900	268,437,900	(2,342,000)	(0.9)
Less:				
Other State Restricted Funds.....	84,252,500	84,245,700	(6,800)	(0.0)
GENERAL FUND/GENERAL PURPOSE.....	186,527,400	184,192,200	(2,335,200)	(1.3)
PAYMENTS TO LOCALS	139,407,400	137,829,400	(1,578,000)	(1.1)

FY 2014-15 Year-to-Date Gross Appropriation	\$287,767,600
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Changes from FY 2014-15 Year-to-Date:

- Swift-and-Sure Program Reduction.** Governor reduced the Swift-and-Sure sanction program by \$2.5 million GF/GP due to lapsed program balance. Senate reduced program by \$1.0 million GF/GP. (1,000,000)
- Mental Health Courts and Diversion Services Decrease.** Governor cut \$0.5 million GF/GP funding by decreasing the funding to Mental Health Courts from lapsed balance. Senate concurred. (500,000)
- Elimination of Trial Court Innovation Fund.** Governor removed one-time funding program. Senate concurred. (375,000)
- Judgeship Attrition Savings.** In accordance with the 2013 Judicial Resource Recommendation, the Legislature passed a package of bills reducing approximately 40 judgeships by attrition; associated with these reductions the Governor reflected \$351,800 GF/GP savings that will be achieved by the attrition of 10.0 judgeships. Senate concurred. (351,800)
- Operating Expense Efficiencies.** The Governor's proposed savings through operating efficiencies and anticipated FTE departures or vacant position which would not be filled. Senate concurred. (130,600)
- Removal of Community Court Pilot Program.** Governor ended the funding of this pilot project. Senate concurred. (20,000)
- Court Equity Fund Reduction.** Governor reduced funding to realize savings by decline in funds available for distribution. Senate concurred. (19,400)
- Economic Adjustments.** Includes a negative \$576,000 Gross adjustment and a negative \$464,500 GF/GP for OPEB and \$606,500 Gross and \$526,100 GF/GP for other economic adjustments. Senate concurred. 30,500

9. **Comparison to Governor's Recommendation.** The Senate is \$1,500,000 Gross and \$1,500,000 GF/GP over the Governor.

Total Changes	(\$2,366,300)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$285,401,300

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Deletions.** In keeping with the condensed structure of the Governor's budget, the following current-year language Sections were not included: 204, 205, 207, 209, 211, 212, 225, 306, 309, 310, 312, 318, 320, 321, 323, and 1201. Most were proposed to be deleted in last year's Governor's Recommendation but were subsequently added back by the Legislature. The subjects of these Sections included not taking disciplinary action against an employee for communicating with the Legislature; public notice for foster care case changes and explanation of foster care plan changes; statistical tracking of adjudicated juveniles; interagency program linkage for swift-and-sure; records retention process; performance measure report; assistance to local trial courts in improving judgment collection; reporting requirements for mental health courts, drug court evaluation and monitoring, the Parental Rights Restoration Act, and out-of-state placements of juveniles; the creation of a legal self-help website; and a section dealing with legislative intent concerning appropriations process. Senate concurred with some changes and did not concur with others.
2. **Definitions.** The Governor eliminated a number of definitions for Federal agencies as well as some terms specific to appropriations. (Sec. 11-203)
3. **Legacy Costs Reporting.** Governor updated total legacy costs section, the Judiciary pension-related costs are: \$7,772,600 and the Judiciary retiree health care costs are: \$5,950,700. (Sec. 11-224)
4. **Local Trial Court Judgment Collection.** Senate revised section to include reporting requirement for SCAO to collect data from counties in regards to collected and uncollected judgment amounts. (Sec. 11-306)
5. **Court Fee Fund GF/GP Appropriation.** Senate modified section for notification of appropriation of judicial compensation from GF/GP. (Sec. 11-308)
6. **Federal Grants.** Senate added Michigan indigent defense commission as eligible to receive Byrne grant funding. (Sec. 11-322)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	2,820.3	2,814.3	0.0	0.0
GROSS	542,588,200	539,571,300	(3,016,900)	(0.6)
Less:				
Interdepartmental Grants Received	14,509,800	15,754,900	1,245,100	8.6
ADJUSTED GROSS.....	528,078,400	523,816,400	(4,262,000)	(0.8)
Less:				
Federal Funds.....	200,624,800	200,388,700	(236,100)	(0.1)
Local and Private	968,300	990,300	22,000	2.3
TOTAL STATE SPENDING.....	326,485,300	322,437,400	(4,047,900)	(1.2)
Less:				
Other State Restricted Funds.....	286,351,500	298,214,000	11,862,500	4.1
GENERAL FUND/GENERAL PURPOSE.....	40,133,800	24,223,400	(15,910,400)	(39.6)
PAYMENTS TO LOCALS	28,225,700	28,225,700	0	0

FY 2014-15 Year-to-Date Gross Appropriation	\$542,588,200
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Changes from FY 2014-15 Year-to-Date:

- Career Technology and Skilled Trades Initiative.** The Governor recommended a new State-wide initiative intended to increase technical and skilled trades education and training opportunities. LARA's portion of the initiative would be funded primarily from penalties and interest collected by the Unemployment Insurance Agency. The program would provide skilled trades training, an at-risk youth program, funding for Michigan Advanced Technical Training, re-employment opportunities, and support for new Americans. The Senate included this new program 15,600,000
- Eliminate Fee Sunsets.** The Governor and Senate's respective budgets are predicated on the delay or elimination or delay of sunsets on 49 fees collected throughout the department. In total these fees generate about \$17.5 million annually. 0
- Retail Liquor License Fee Increase.** The Governor proposed increases to the fees paid for retail liquor licenses. The proposal would increase fees by 50% for three years, and then reduce that increase by half afterward. For example, a fee that is currently \$600 would be increased to \$900 for three years, and then be reduced to \$750 in subsequent years. The Department has indicated that in the last several years fund balances that had sustained the Liquor Control Commission for a number of years have been spent. The Senate did not assume an increase in these fees. 0
- Michigan Liquor Control Commission (MLCC) Licensing and Enforcement.** The Senate included an additional \$900,000 from the Liquor Purchase Revolving Fund (LPRF) to address a deficit in funding for MLCC licensing and enforcement. 900,000

5. Health Care Facility Inspection Fee Increase. The Governor proposed a general increase on inspection fees for health care facilities as well as a move to a triennial inspection schedule. In total the increase would raise about \$1.3 million each year, but as these fees have been over-appropriated in the current and prior year budgets, no increase in appropriations would be necessary. The Senate did not include these fee increases as part of the LARA budget.	(1,254,500)
6. Information Technology. The Governor and Senate removed \$2.1 million to reflect the end of support for the Michigan Business One-Stop, but partially offset this reduction with a \$1.8 million increase in Information Technology to reflect ongoing upgrades to the Licensing and Corporation Database.	(327,900)
7. Bureau of Health Care Systems GF/GP Reduction. The Governor and Senate reduced GF/GP appropriations for the Bureau. It is anticipated that this reduction would result in no programmatic changes as savings will be realized via lapses, holding positions vacant, or other savings measures. The Governor's budget contains a total of \$64.1 million for the Bureau.	(200,000)
8. Fund Shifts. The Governor and Senate included two fund shifts: The first would remove \$112,500 in GF/GP from the Workers' Compensation Agency and replace it with Corporations Fees. The second shift would remove \$900,000 (half Federal and half GF/GP) from the Michigan Administrative Hearing System and replace it with an interdepartmental grant from the Department of Community Health.	0
9. Information Technology Fund Shift. The Senate included a fund shift in the Information Technology Services and Projects line by reducing LPRF appropriations by \$900,000 and replacing them with Corporation Fees.	0
10. Remove FY 2014-15 One-Time Appropriations.	(15,700,000)
11. Technical Adjustments. The Governor and Senate recommended making a number of technical adjustments throughout the LARA budget. These adjustments include: \$407,200 in increased interdepartmental grant appropriations for the Michigan Administrative Hearing System, a \$69,300 increase to reflect the elimination of the METRO Authority under the recent personal property tax reforms, and a \$200,000 reduction to Utility Consumer Representation Grants to reflect available revenue.	276,500
12. Remove Video Franchise Assessments. The Senate removed appropriations from this fund which are currently used to fund the Public Service Commission. The fees will sunset at the end of the calendar year and were not included in the Governor's recommendation for fee sunset extension.	(417,200)
13. Economic Adjustments. Includes a negative \$3,093,800 Gross and a negative \$74,500 GF/GP for OPEB and \$1,200,000 Gross and \$26,600 GF/GP for other economic adjustments.	(1,893,800)
14. Comparison to Governor's Recommendation. The Senate is \$4,780,100 Gross and \$0 GF/GP under the Governor.	
Total Changes	(\$3,016,900)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$539,571,300

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **New Program Benchmarks.** The Governor removed a section requiring any new or expanded programs over \$500,000 to have identified metrics. The Senate included a revised version of this section. (Sec. 205)
2. **Liquor Control Commission IT Work Project.** The Governor and Senate removed a section identifying appropriations for Liquor Control Commission IT Upgrades as a work project. (Sec. 211)
3. **Report Retention.** The Governor removed and Senate retained language requiring that report retention guidelines be followed. (Sec. 212)

4. **Communication with the Legislature.** The Governor removed and Senate retained a prohibition on taking disciplinary action against employees who communicate with the Legislature. (Sec. 215)
5. **Office Space Report.** The Governor removed and Senate retained a report on the utilization of office space. (Sec. 219)
6. **FTEs as Spending Placeholders.** The Governor removed and Senate retained a section prohibiting the use of FTEs as spending placeholders. The section also required a report on the number of FTEs in the Department. (Sec. 240)
7. **Special Event Fee Report.** The Governor removed and Senate retained a report requirement for revenues the Department receives from holding trainings and other special events. (Sec. 241(5))
8. **Reinventing Performance in Michigan (RPM) Costs.** The Governor removed and Senate retained a section requiring the Department to work with other agencies participating in the RPM program to help cover the Department's costs. (Sec. 243)
9. **Healthy Michigan Plan Accounting.** The Governor removed and Senate retained a section requiring the Department to work with the Department of Community Health to identify any expenditures related to the Healthy Michigan Plan. (Sec. 245)
10. **Licensing and Regulatory Program Report.** The Governor removed a section requiring a detailed activity report on most of the Department's programs. The Senate retained this report and expanded it to include a summary section. (Sec. 248)
11. **Prefund OPEB.** The Governor removed and Senate retained a statement of intent that OPEB costs continue to be prefunded. (Sec. 250)
12. **Department Revenue and Expenditure Report.** The Senate included a new section requiring a detailed report on revenues and expenditures for the Department in the prior fiscal year. (Sec. 251)
13. **Employee Performance Monitoring Process.** The Senate included a new section requiring the Department to establish a performance monitoring process that is consistent throughout the Department. The section also requires a report on this process. (Sec. 252)
14. **Homeowner Construction Lien Fund Appropriation.** The Governor removed and Senate retained a report on the remaining balance in this fund. (Sec. 505[2])
15. **Nursing Facility Complaint Report.** The Governor removed and Senate retained a report on the number of complaints, investigations, and frequently-cited deficiencies at nursing facilities. (Sec. 506)
16. **Medical Marijuana Program Report.** The Governor modified a report requirement containing various metrics related to the Medical Marijuana Program. The revised section does not specify particular metrics. The Senate retained the original language. (Sec. 507)
17. **Bureau of Health Care Services.** The Governor removed and Senate retained a report on facilities regulated by the Bureau. (Sec. 509)
18. **Freestanding Surgical Outpatient Facilities.** The Governor removed and Senate retained the earmark of \$530,000 for the inspection and licensing of these facilities. (Sec. 510)
19. **Health Professional Disciplinary Actions.** The Governor removed a requirement that disciplinary actions be posted on the online license verification website, and that \$200,000 be allocated for this purpose. The Senate retained the requirement but removed the earmark. (Sec. 512)
20. **Unemployment Insurance Agency (UIA) Integrated System Project Report.** The Governor removed and Senate retained a section requiring quarterly status reports on this IT project. (Sec. 702)
21. **MARVIN Usage.** The Governor removed and Senate retained a section requiring a report on usage of the UIA's MARVIN system and establishing a goal of 80% usage of the Internet MARVIN system. (Sec. 703)
22. **BSBP Matching Funds.** The Governor removed and Senate retained a requirement that the Bureau of Services for Blind Persons work collaboratively to maximize available Federal matching dollars. (Sec. 705)
23. **Tax Tribunal Report.** The Governor removed and Senate retained a report on the activities of the Tax Tribunal. (Sec. 801)

24. **Unemployment Insurance Agency Metrics.** The Governor included a new section requiring that increased funds for the UIA be used for maintaining customer service standards, and that metrics be identified to measure the success of those efforts. The Senate included this section. (Sec. 904.)
25. **Career Technology and Skilled Trades Initiative Metrics.** The Governor included a new section requiring that funds for this program be used to expand workforce training and re-employment services, and that metrics be identified to measure the success of the program. The Senate retained this section. (Sec. 905)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	889.5	888.5	(1.0)	(0.1)
GROSS	168,443,700	163,953,700	(4,490,000)	(2.7)
Less:				
Interdepartmental Grants Received	100,000	99,300	(700)	(0.7)
ADJUSTED GROSS.....	168,343,700	163,854,400	(4,489,300)	(2.7)
Less:				
Federal Funds.....	90,362,800	90,208,600	(154,200)	(0.2)
Local and Private	2,240,000	2,237,000	(3,000)	(0.1)
TOTAL STATE SPENDING.....	75,740,900	71,408,800	(4,332,100)	(5.7)
Less:				
Other State Restricted Funds.....	23,286,400	23,221,500	(64,900)	(0.3)
GENERAL FUND/GENERAL PURPOSE.....	52,454,500	48,187,300	(4,267,200)	(8.1)
PAYMENTS TO LOCALS	100,000	102,400	2,400	2.4

FY 2014-15 Year-to-Date Gross Appropriation	\$168,443,700
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Changes from FY 2014-15 Year-to-Date:

- Training Sites Billeting Fund.** Governor and Senate recommended \$1.5 million in restricted spending authority to accept charges on visitors who use lodging facilities at Camp Grayling or Fort Custer to pay for ongoing operational cost at those housing facilities. 1,500,000
- Veterans Home Funding Shortfall.** Governor and Senate recommended supplanting \$3.3 million in member assessment revenue, down due in part to declining member census, with \$3.3 million GF/GP to offset this projected loss and fully fund the homes' operations. 0
- Veterans Coalition Grant for Veterans Outreach Services.** Governor recommended reducing the amount available to the Michigan Veterans Coalition by \$429,000 GF/GP. Senate limited that reduction to \$79,000 by adding \$350,000 GF/GP over Governor's recommendation. (79,000)
- Targeted Outreach.** Senate including a placeholder line of \$100, shifted from MVAA funding, for targeted outreach to veterans. 0
- Armory Maintenance.** Senate added \$250,000 GF/GP for armory maintenance projects. 250,000
- National Guard Tuition Assistance Program.** Senate shifted FY 2015-16 projected surplus funding for the tuition program to be used for Veterans Coalition grants and Armory Maintenance, leaving the tuition program with an appropriation of \$3,941,300 GF/GP. (600,000)
- Elimination of Analyst Position.** Governor and Senate recommended elimination of a vacant partnership analyst for a savings of \$117,000 GF/GP. (117,300)
- Departmentwide Savings.** Governor and Senate recommended efficiencies of \$100,000 GF/GP within contractual services, supplies and maintenance. (100,000)

FY 2015-16 MILITARY AND VETERANS AFFAIRS BUDGET

9. Training Site Fire Protection. Governor and Senate recommended a reduction of \$100,000 GF/GP in fire support for Fort Custer and Alpena to reflect Federal policies.	(100,000)
10. FY 2014-15 One-Time Appropriations. Governor and Senate recommended eliminating FY 2014-15 one-time appropriations for National Guard Tuition Assistance Program Reserve (\$400,000 GF/GP) and Special Maintenance - Veterans Home (\$3.0 million GF/GP).	(3,400,000)
11. Adjustment for FY 2014-15 Appropriations Actions. Includes \$1.5 million from P.A. 6 of 2015.	(1,500,000)
12. Economic Adjustments. Includes a negative \$885,900 Gross and a negative \$252,200 GF/GP for OPEB and \$477,800 Gross and \$110,700 GF/GP for other economic adjustments.	(393,700)
13. Other Changes. Governor and Senate recommended a technical adjustment to reflect non-GF/GP revenue received.	50,000
14. Comparison to Governor's Recommendation. The Senate is \$0 Gross and \$0 over/under the Governor.	
Total Changes	(\$4,490,000)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$163,953,700

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Federal DOD-DOA-NGB Support.** Governor and Senate struck section stating various Federal DOD-DOA-NGB funding to be received by DMVA. (Sec. 205a)
2. **Federal DVA-VHA Support.** Governor and Senate struck section stating various Federal DVA-VHA funding to be received by DMVA. (Sec. 205b)
3. **Federal HHS-HCFA, Medicare Support.** Governor and Senate struck section stating various Federal HHS-HCFA, Medicare funding to be received by DMVA. (Sec. 205c)
4. **Federal HHS-HCFA, Title XIX, Medicaid Support.** Governor and Senate struck section stating various Federal HHS-HCFA, Title XIX, Medicaid funding to be received by DMVA. (Sec. 205d)
5. **Purchase of Goods.** Senate removed language requiring a preference be given to a small business with at least a workforce of 35% veterans. (Sec. 209)
6. **Retain Reports.** Governor and Senate eliminated requirement for all reports be kept and retained by DMVA. (Sec. 212)
7. **Schedule of Programs.** Governor and Senate struck subsection stating that schedule of programs listed in Part 1 may or may not receive funding from the unit sources listed. (Sec. 216)
8. **Efficiencies.** Governor and Senate removed language outlining priorities for finding DMVA budgetary efficiencies. (Sec. 217)
9. **Quarterly Reports.** Governor and Senate removed language which requires a corrective action plan within 30 days of a quarterly report when requirements are not achieved. (Sec. 219)
10. **Contractual Services Guidelines.** Governor and Senate struck language requiring bids for contractual services not exclude public employee unions from bid process. (Sec. 227)
11. **New Program/Enhancement Metric.** Senate added new language requiring program metrics for each new program or program expansion in excess of \$500,000. (Sec. 240)
12. **Administrative Support.** Governor and Senate removed section requiring administrative support for various DMVA functions. (Sec. 301)

13. **Armories and Joint Force Readiness.** Governor and Senate amended section by eliminating language which contained numerous legal citations and detailed reporting requirements with more general language requiring leadership over armory operations, a measurement system of armory conditions and a quarterly report on the status of armories. Senate retained language concerning creating a culture that is free of sexual assault. (Sec. 302)
14. **Billeting Account.** Governor and Senate added language allowing for the creation of a revolving account to receive funds for lodging by outside groups at training facilities. (Sec. 305)
15. **Starbase Educational Program.** Senate struck boilerplate subsection requiring program to maintain program offerings at Selfridge, Battle Creek, and Alpena Bases. (Sec. 309)
16. **National Guard Tuition Assistance Program.** Governor and Senate amended section to remove language concerning program guidelines which are now in statutory law. (Sec. 310)
17. **Michigan Veterans Affairs Agency (MVAA).** Governor and Senate amended this section by adding a requirement that the MVAA report benefit claims submitted to the USVA by coalition partner veterans service officers and by striking a requirement that a five-member advisory board of VSO members be created. (Sec. 400)
18. **Veterans Service Grants.** Governor and Senate amended language by striking some elaboratory language and altering a metric requirement that a minimum of 6,240 hours of service be provided in State correctional facilities. (Sec. 406)
19. **State Veterans Homes.** Senate amended language concerning the Grand Rapids and D.J. Jacobetti Veterans Homes by removing many legal citations, assurance of transportation, laundry, custodial services, a dietary plan, medical assessment and 2.5 patient care hours per day. (Secs. 501/503)
20. **FY 2014-15 One-Time Appropriations.** Governor and Senate recommended removing language concerning FY 2014-15 one-time appropriations, including a section on Special Maintenance-Veterans Home (Sec. 701) and National Guard Tuition Assistance Program - Reserve. (Sec. 702) (Secs. 701 and 702)
21. **FY 2015-16 Appropriations.** Governor and Senate eliminated language requiring the MVAA to provide the percentage of veterans contacted, with a goal of 100% (Sec. 1202) and that the MVAA maintain a minimum 50% of fully developed claims of the veterans it serves. (Sec. 1203) (Secs. 1202 and 1203)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	2,222.3	2,219.8	(2.5)	(0.1)
GROSS	384,685,400	389,644,300	4,808,800	1.3
Less:				
Interdepartmental Grants Received	1,355,100	1,352,700	(2,400)	(0.2)
ADJUSTED GROSS.....	383,330,300	388,291,600	4,961,300	1.3
Less:				
Federal Funds.....	67,954,500	76,028,000	8,073,500	11.9
Local and Private	10,286,300	8,157,700	(2,128,600)	(20.7)
TOTAL STATE SPENDING.....	305,089,500	304,105,900	(983,600)	(0.3)
Less:				
Other State Restricted Funds.....	256,498,000	264,583,100	8,085,100	3.2
GENERAL FUND/GENERAL PURPOSE.....	48,591,500	39,522,800	(9,068,700)	(18.7)
PAYMENTS TO LOCALS	5,123,500	5,548,300	424,800	8.3

FY 2014-15 Year-to-Date Gross Appropriation	\$384,685,400
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Changes from FY 2014-15 Year-to-Date:

- Forestry Investment.** The Governor and Senate included additional one-time Forest Development Fund revenues for the purchase of new forestry equipment and for development of the Vegetative Management System. 4,000,000
- Shooting Range Enhancement.** The Governor and Senate included one-time funds for improvements to shooting ranges. Several counties (Ontonagon, Livingston, Jackson, Oakland, Alpena, Presque Isle, Allegan, Marquette, St. Clair, Alger, Barry, Crawford, and Roscommon) were identified as priority counties for these enhancements. 4,000,000
- Wildlife Management.** The Governor and Senate included additional Federal authorization in this program. The DNR currently has Federal Pittman-Robertson grant money from increased gun and ammunition sales and does not have sufficient appropriation authority to spend those funds. 2,155,000
- Nonmotorized Trail Initiative.** The Governor and Senate included a GF/GP reduction to this item. Four lines would be impacted: \$900,000 from Nonmotorized Trail Development and Maintenance Grants, \$150,000 from Forest Recreation and Trails, \$50,000 from Mackinac Island State Park Operations, and \$50,000 from Michigan Historical Center. (1,150,000)
- Cormorant Population Mitigation Program.** The Governor eliminated the \$150,000 in funding for this program which provides funding for harassment and other cormorant management activities. The Senate restored funding to current-year levels. 0

6. Remove FY 2014-15 One-Time Appropriations. The Governor and Senate removed \$4.75 million in designated one-time appropriations from FY15. Also removed were ongoing appropriations for a new fisheries research vessel and the expansion of the Hart-Montague trail as these projects will have sufficient funding for their completion in FY 2014-15.	(7,280,000)
7. Recreation Passport Local Grants. The Governor and Senate included additional one-time amounts for recreation grants to local units of government. A sufficient fund balance is available to support this appropriation.	500,000
8. Capital Outlay. The Governor and Senate removed several FY 2014-15 waterways and recreation projects totaling \$4.2 million, and included several new ones totaling \$4.5 million.	270,500
9. Marquette Breakwall Placeholder. The Senate included a \$100 placeholder for repairs to a breakwall in the City of Marquette.	100
10. Fisheries Habitat Improvement Grants. The Governor and Senate included increased Game and Fish Protection Fund revenues to support these grants. Fund revenue is available due to the Great Lakes Research Vessel having sufficient appropriations in FY 2014-15 and not needing support in FY 2015-16.	500,000
11. Increased Off-Road Vehicle (ORV) Fee Revenue. The Governor and Senate included additional ORV Trail Improvement Fund revenue to a number of line items. This increase reflects increased ORV fee revenue from the ORV fee increase that took effect in 2014.	984,200
12. State Parks - Belle Isle Subaccount. The Governor and Senate included additional Park Improvement Account revenue from the Belle Isle Subaccount. The Subaccount is required pursuant to the Belle Isle lease agreement which requires funds derived from the operation of Belle Isle Park to be tracked separately from other State park revenue.	1,000,000
13. Forest Development Fund (FDF) - Fund Shift. The Senate increased FDF appropriations in the Wildfire Protection line by \$400,100 and reduced GF/GP by a like amount.	0
14. State Parks Repair and Maintenance - Fund Shift. The Governor and Senate included a fund shift which would remove \$1.5 GF/GP from this line, and replace it with State Parks Endowment Fund revenue. There is a sufficient spendable balance in this fund to support this fund shift.	0
15. Technical Revenue Adjustments. The Governor and Senate included a number of adjustments throughout the budget to reflect cost changes and the availability of funds.	312,800
16. Economic Adjustments. Includes a negative \$2,117,100 Gross and a negative \$237,600 GF/GP for OPEB and \$1,783,400 Gross and \$248,900 GF/GP for other economic adjustments.	(333,700)
17. Comparison to Governor's Recommendation. The Senate is \$150,100 Gross over and \$250,000 GF/GP under the Governor.	
Total Changes	\$4,958,900
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$389,644,300

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **New Program Benchmarks.** The Governor removed a section requiring any new or expanded programs over \$500,000 to have identified metrics. The Senate included a revised version of this section. (Sec. 204)
2. **Communication with the Legislature.** The Governor removed and Senate retained a prohibition on taking disciplinary action against employees who communicate with the Legislature. (Sec. 212)
3. **Report Retention.** The Governor removed and Senate retained language requiring that report retention guidelines be followed. (Sec. 217)
4. **Waterways Report.** The Governor removed and Senate retained a report on projects completed. (Sec. 223)

5. **Pittman-Robertson Fund Grant Report.** The Senate included a new section requiring a report on the receipt and expenditure of Federal Pittman-Robertson Funds. (Sec. 238)
6. **Michigan Civilian Conservation Corps.** The Governor and Senate removed a section requiring the DNR to work with the MCCC steering committee to plan for a MCCC outside of State government. (Sec. 250)
7. **Land Transaction Report.** The Governor removed and Senate retained a report on land transactions from the previous year. The Senate added new requirements for the report. (Sec. 408)
8. **Federal Wildlife Management Fund Increase.** The Governor included a new section requiring that increased levels of Federal funds be used for the restoration, conservation, management, and enhancement of wildlife habitat. The Senate included this section. (Sec. 501)
9. **Invasive Species Order Report.** The Governor removed and Senate retained a report on invasive species order actions taken against swine raised under the husbandry of Michigan residents. (Sec. 503)
10. **Cervid Fee Report.** The Governor removed and Senate retained a report on the use of Cervid registration/inspection fees. (Sec. 504)
11. **Water Control Structure Certification.** The Governor removed and Senate retained a prohibition on impeding the certification of water control structures. (Sec. 602)
12. **Cormorant Report.** The Governor removed and Senate retained a report on Cormorant control efforts. (Sec. 603)
13. **Recreation Opportunities.** The Governor removed and Senate retained a requirement that the Legislature be notified of any intent to reduce recreation opportunities. (Sec. 702)
14. **State Parks Maintenance Needs.** The Senate included a new section requiring a report on the Department's plan to address the capital outlay needs in State parks as identified in the FY16 Capital Outlay 5-Year Plan. (Sec. 705)
15. **Pure Michigan Trails.** The Governor and Senate removed a section earmarking \$200,000 for the Pure Michigan Trails program. (Sec. 704)
16. **Forest Management Funding Increase.** The Governor included a new section requiring that increased levels of Forest Development Fund appropriations be used for strategic investments in technology and equipment. The Senate included this section. (Sec. 801)
17. **Timber Marking.** The Governor removed and Senate retained two sections that prescribed minimum amounts of timber to be prepared and marked for harvest, and that a sufficient number of foresters be hired to do so. (Secs. 802 & 805)
18. **Horseback Interests.** The Governor removed and Senate retained a requirement that the DNR work with horseback interests. (Sec. 804)
19. **Gas and Oil Lease Development.** The Governor and Senate removed section requiring the DNR to develop a plan to motivate gas and oil lessees to undertake warranted new operations. (Sec. 808)
20. **Snowmobile Law Enforcement.** The Governor removed and Senate retained criteria for how these grants are distributed. (Sec. 901)
21. **Marine Safety Grant Report.** The Governor removed and Senate retained a report on these grants and funds used for them. (Sec. 902)
22. **ORV Trail Improvement Grants.** The Governor removed and Senate retained a requirement that at least \$980,000 of these grants be used for new trails. (Sec. 1002)
23. **Saginaw River.** The Governor and Senate removed a feasibility study of deepening the Saginaw River. (Sec. 1201)
24. **FY 2015-16 Appropriation Intent.** The Governor removed and Senate retained two sections stating legislative intent for appropriations in FY 2015-16. (Secs. 1301 & 1302)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

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FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	3,070.0	3,110.0	40.0	1.3
GROSS	648,741,900	617,531,200	(31,210,700)	(4.8)
Less:				
Interdepartmental Grants Received	26,233,200	26,224,300	(8,900)	(0.0)
ADJUSTED GROSS.....	622,508,700	591,306,900	(31,201,800)	(5.0)
Less:				
Federal Funds.....	99,429,900	87,945,900	(11,484,000)	(11.5)
Local and Private	4,938,900	5,533,400	594,500	12.0
TOTAL STATE SPENDING.....	518,139,900	497,827,600	(20,312,300)	(3.9)
Less:				
Other State Restricted Funds.....	127,300,000	121,853,900	(5,446,100)	(4.3)
GENERAL FUND/GENERAL PURPOSE.....	390,839,900	375,973,700	(14,866,200)	(3.8)
PAYMENTS TO LOCALS	19,775,600	15,464,100	(4,311,500)	(21.8)

FY 2014-15 Year-to-Date Gross Appropriation	\$648,741,900
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Changes from FY 2014-15 Year-to-Date:

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|--|-----------|
| 1. Trooper School. Governor and Senate recommended funding of \$7,770,000 GF/GP (\$3.2 million one-time) for a new trooper school to begin in April, 2016 for 75 candidates. | 7,700,000 |
| 2. Sexual Assault Kit Submission Act. Governor and Senate recommended \$1,649,000 GF/GP to add 11 FTEs to meet recently enacted statutory requirements and to improve clearance rates and turn-around times for processing kits. | 1,649,600 |
| 3. Motor Carrier School. Governor recommended funding of \$1,050,000 GF/GP for a new Motor Carrier Officer school to begin in October, 2015 for 10 candidates. Senate added another 6.0 FTEs and \$600,000. | 1,650,000 |
| 4. Concealed Pistol Licensing. Senate included 13.0 FTEs and \$1.5 million restricted to reflect department requirements under P.A. 3 & 4 of 2015. | 1,500,000 |
| 5. State Police Trooper Retirement. Senate added \$2.4 million GF/GP to reflect first year cost of retirement enhancement for pre 1986 trooper retiree, per SB 21 & 22. | 2,400,000 |
| 6. State Records Management System. Governor and Senate recommended addition authority to receive restricted revenue resulting from more agencies choosing to join the State records management system. | 600,000 |
| 7. Information Technology Interface. Senate shifted funds to a \$100 placeholder for the design and deployment of an interface between forensics and the courts. | 0 |
| 8. Sexual Assault Prevention and Education. Governor recommended one-time GF/GP funding of \$500,000 GF/GP for an initiative to help reduce the incidence of sexual assaults on campuses of higher education. Senate did not include. | 0 |

FY 2015-16 STATE POLICE BUDGET

9. Recruit School Second Year Costs. Governor and Senate recommended \$178,600 GF/GP in additional funds to reflect FY 2014-15 second year costs.	178,600
10. Emergency Management. Governor and Senate included \$152,000 in GF/GP funding for technology maintenance costs at the State Emergency Operations Center.	152,000
11. Elimination of FY 2014-15 Motor Carrier School. Governor and Senate reduced base appropriations by \$3,210,000 GF/GP to reflect cancelled 31 person motor carrier school.	(3,210,000)
12. Urban Search and Rescue. Governor and Senate eliminated an earmarked grant of \$500,000 GF/GP to a regional urban search and rescue task force.	(500,000)
13. Rent Efficiencies. Governor and Senate recommended a GF/GP rent savings of \$381,900.	(381,900)
14. Vacancy Elimination. Governor and Senate recommended the elimination of four vacant positions within the Capitol Security unit for a savings of \$294,000, leaving 20 filled positions.	(294,000)
15. Adjustment for FY 2014-15 Appropriations Actions. Includes \$32.5 million from P.A. 356 of 2014 and Executive Order 2015-5 (\$23,331,100).	23,331,100
16. Unclassified Position Adjustment. Governor and Senate recommended a reduction in funding of \$150,000 to reflect the actual number of filled positions.	(150,000)
17. Elimination of FY 2014-15 One-Time Funding. Governor and Senate recommend the elimination of funding for Trooper School (\$4,408,500 Gross, \$3,508,500 GF/GP); Motor Carrier School (\$1,181,900 GF/GP); Helicopter Purchase (\$4,932,000); Emergency Support Vehicle (\$225,000 GF/GP); LEIN Language Conversion (\$350,000 Restricted); Electronic Warrant System (\$750,000 GF/GP); Local Public Safety Initiative (\$4,550,000 GF/GP); Marshall Post Charges for Lease (\$2.0 million), and Michigan International Speedway Traffic Control (\$831,900 GF/GP).	(19,229,300)
18. Disaster Assistance. Governor and Senate removed from base FY 2014-15 appropriation for disaster assistance, \$32.5 million Gross; \$2.5 million Federal, and \$30.0 million GF/GP.	(32,500,000)
19. Economic Adjustments. Includes a negative \$3,012,700 Gross and a negative \$2,031,300 GF/GP for OPEB and \$3,542,800 Gross and \$2,619,000 GF/GP for other economic adjustments.	530,100
20. Other Changes. Governor and Senate recommended a technical adjustment across various non- GF/GP fund sources to reflect actual revenue received.	(14,636,900)
21. Comparison to Governor's Recommendation. The Senate is \$4.0 million Gross and \$2.5 million GF/GP over the Governor.	
Total Changes	(\$31,210,700)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$617,531,200

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Federal Homeland Security Support.** Governor and Senate struck section stating various Federal DHS funding to be received by MSP. (Sec. 205a)
2. **Federal DOJ Support.** Governor struck section stating various Federal DOJ funding to be received by MSP. (Sec. 205b)
3. **Federal DOT Support.** Governor and Senate struck section stating various Federal DOT funding to be received by MSP. (Sec. 205c)
4. **Retain Reports.** Governor and Senate eliminated requirement for all reports to be kept and retained by MSP. (Sec. 212)
5. **Purchase of Goods and Services.** Governor and Senate removed language requiring a preference be given to a small business with at least a workforce of 35% veterans. (Sec. 209)

6. **Schedule of Programs.** Governor and Senate removed language stating that revenue sources may not be received from funding entities listed and specific language stating that the statutes rule in the funding of the Secondary Road Patrol Grant Program. (Sec. 216)
7. **Efficiencies.** Governor and Senate removed language outlining priorities for finding MSP budgetary efficiencies. (Sec. 217)
8. **Quarterly Reports.** Governor and Senate removed language which requires a corrective action plan within 30 days of a quarterly report when requirements are not achieved. (Sec. 219)
9. **Privatization.** Governor and Senate struck requirement for MSP to give 60-day notice prior to effort to privatize, with an evaluation report. (Sec. 223)
10. **New Program/Enhancement Metric.** Senate added new language requiring program metrics for each new program or program expansion in excess of \$500,000. (Sec. 240)
11. **Unclassified Positions.** Governor and Senate removed section listing unclassified positions and requiring notice when a new position is created. (Sec. 300)
12. **Executive Direction.** Governor and Senate struck section requiring effective and efficient administrative leadership be provided. (Sec. 301)
13. **Capitol Security.** Governor and Senate added the Secondary Complex to security unit responsibilities. (Sec. 303)
14. **Administrative Support.** Governor and Senate struck language providing detail on how support should be administered and a reference to providing costs for MSP Detroit crime lab. (Sec. 304)
15. **Training/Law Enforcement Services.** Governor and Senate amended language by removing legal citations, many requirements and metrics, but retaining a reporting requirement and a metric setting a goal of average classroom occupancy rate to be at 55%. (Sec. 401)
16. **Michigan Commission on Law Enforcement Standards (MCOLES).** Governor and Senate amended language by removing legal citations and reporting requirements but kept requirement for MCOLES to update standards within 30 days of enacted legislation. (Sec. 404)
17. **Criminal Justice Information Systems.** Governor and Senate amended section by removing legal citations and reporting requirements. Senate added a requirement for a report on background checks and a requirement that records management fees shall not lapse. (Sec. 405)
18. **Laboratory Operations.** Governor and Senate amended section by removing legal citations. Senate added language support and information technology interface between forensics and the courts. (Sec. 412)
19. **DNA Analysis.** Governor and Senate amended section by removing legal citations and adding sexual assault kit initiative objectives. (Sec. 413)
20. **Biometrics and Identification.** Governor and Senate amended section by removing legal citations and Senate added language requiring a report on fingerprint background checks. (Sec. 414)
21. **Field Services.** Governor and Senate amended section reducing greatly the detail required for a report on MSP's Secure Cities Program. (Sec. 501)
22. **Security at Events.** Governor and Senate eliminated section requiring MSP to respond to potential threats to State facilities and major public events. (Sec. 502)
23. **Criminal Investigations.** Governor and Senate amended language by removing legal citations and to clarify that goal is to have a 60% case clearance rate. (Sec. 503)
24. **Fire Investigations.** Governor and Senate amended language by removing legal citations. (Sec. 505)
25. **Specialized Services.** Governor and Senate amended language by removing requirement that MSP seek to increase the number of public and private sector contacts which receive homeland security information and intelligence. Senate added language requiring support of Cyber Unit. (Sec. 601)
26. **Commercial Vehicle Law Enforcement.** Governor and Senate amended language to remove many legal citations and numerous reporting requirements. Senate added language stating that staffing and resources shall be provided to run a motor carrier school of at least 16 candidates. (Sec. 602)

27. **Emergency Management/Homeland Security.** Governor and Senate amended language to remove many legal citations and Sec. 606(9) which designated \$500,000 in funding for an urban search and rescue task force. (Sec. 606)
28. **Highway Safety Planning.** Governor and Senate amended language to remove legal citations and a reporting requirement. (Sec. 608)
29. **Secondary Road Patrol.** Governor and Senate amended language by removing many legal citations. Senate added to reporting requirements. (Sec. 610)
30. **State Trooper Retirement Fund - One-Time Appropriations.** Senate added language which provides for trooper retirement enhancement should SB 21 and 22 are enacted into law. (Sec. 701)
31. **Trooper School - One-Time Appropriations.** Senate added language stating that staffing and resources shall be maintained to train at least 75 Michigan State trooper recruits. (Sec. 702)
32. **One-Time Appropriations for FY 2014-15.** Governor and Senate struck sections pertaining to FY 2014-15 one-time appropriations, including the following language: Trooper School (Sec. 701); Emergency Vehicle (Sec. 702); Motor Carrier School (Sec. 703); Helicopter Purchase (Sec. 704); LEIN Upgrade (Sec. 705); Electronic Warrant System (Sec. 706); Michigan International Speedway Traffic Control (Sec. 707); Local Public Safety Initiative (Sec. 708), and Marshall MSP Post. (Sec. 709)
33. **FY 2015-16 Appropriations.** Governor and Senate eliminated language requiring an increase in trooper patrols by 9%, aviation hours by 30%, and vehicle inspections by 12%, and improvement due to LEIN language conversion project and establishment of an electronic warrant system. (Sec. 1202)

Date Completed: 4-28-15

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Senate Bill 133 (Substitute S-1)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2014-15 YEAR-TO-DATE	FY 2015-16 SEN. FULL COMM.	CHANGES FROM FY 2014-15 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions.....	2,912.3	2,912.3	0.0	0.0
GROSS	3,725,062,600	3,635,722,500	(89,340,100)	(2.4)
Less:				
Interdepartmental Grants Received	3,786,900	3,928,500	141,600	3.7
ADJUSTED GROSS.....	3,721,275,700	3,631,794,000	(89,481,700)	(2.4)
Less:				
Federal Funds.....	1,205,821,500	1,257,488,000	33,888,500	2.8
Local and Private	50,277,100	50,393,500	(7,649,600)	(13.2)
TOTAL STATE SPENDING.....	2,439,633,100	2,323,912,500	(115,720,600)	(4.7)
Less:				
Other State Restricted Funds.....	2,154,985,200	2,184,391,400	29,406,200	1.4
GENERAL FUND/GENERAL PURPOSE.....	284,647,900	139,521,100	(145,126,800)	(51.0)
PAYMENTS TO LOCALS	1,316,686,400	1,253,964,100	(62,722,300)	(4.8)

FY 2014-15 Year-to-Date Gross Appropriation	\$3,725,062,600
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Changes from FY 2014-15 Year-to-Date:

1. **GF/GP One-Time Federal Match Increase.** The Governor and the Senate increased one-time Federal match appropriations by \$473,200 for a total of \$139.5 million Gross and GF/GP. \$113.0 million Gross and \$113.0 million GF/GP is recommended for State trunkline roads and bridges. (The Governor included \$12.0 million redirected from TEDF, and the Senate included \$2.0 million from the TEDF; see items 3 and 4.), \$25.0 million GF/GP for transit and rail, and \$1,521,100 GF/GP for aeronautics. In FY 2014-15, the budget included the following one-time Federal match items: \$127.0 million GF/GP for State trunkline roads and bridges, \$10.0 million GF/GP for transit and rail, and \$2.0 million for aeronautics. 473,200
2. **Elimination of One-Time GF/GP Funding for State and Local Roads and Bridges.** The Governor and the Senate removed this one-time appropriation of \$144.5 million Gross, \$144.5 million GF/GP, of which approximately \$56.5 million was distributed to the State trunkline fund, \$56.5 million to county road commissions, and \$31.5 million to cities and villages. (144,500,000)
3. **Transportation Economic Development Fund (TEDF) Redirect to State Trunkline Fund.** The Senate included a redirection of \$2.0 million, and the Governor included a redirection of \$12.0 million, in license fees that fund the TEDF program in order to meet Federal match requirements. The Senate also redirected \$2.0 million to one-time airport safety funding. The license fee revenue was previously redirected to the State trunkline from FY 2010-11 to FY 2013-14, and the fee revenue was restored to the TEDF in FY 2014-15 to meet increased program demand. (4,000,000)

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4. Highway Maintenance Funding. The Senate did not include additional funding for highway maintenance, and kept these funds within State trunkline construction for Federal match requirements. The Governor reduced State trunkline construction to increase funding for highway maintenance by \$10.0 million, for a total of \$324.7 million appropriated to the program. According to the Department, an increase would allow the Department to keep up current maintenance levels, and is required to offset the increased costs of road maintenance. Maintenance cost increases primarily stem from increased prices for salt, sand, asphalt, and other road construction materials.	0
5. Additional Increase for Airport Safety, Protection, and Improvement Program. The Senate included an additional \$2.0 million for airport safety. These funds were redirected from the TEDF license fees (see item 3).	2,000,000
6. Federal Transit and Rail Grants. The Governor and the Senate included grant increases from the Federal Transit Administration and the Federal Railroad Administration. This included a \$50 million increase in Federal aid to rail operations and infrastructure, an \$840,000 increase in Federal aid to nonurban buses, and a \$300,000 increase in Federal aid to the transit capital program.	51,140,000
7. Restoration of Vetoed Funds for Regional Planning Councils. In FY 2014-15, the Governor vetoed a pedestrian crossing study, which affected the grants to regional planning councils program. The Governor and Senate included additional funding for this program in FY 2015-16 to restore those funds.	80,000
8. Revenue Adjustments. A revenue increase is expected for the Michigan Transportation Fund (MTF), resulting in the following program increases: \$57.7 million in local road funding, and \$1.3 million in the TEDF. Other revenue adjustments result in the following program decreases: \$663,300 in aeronautics services, \$3.9 million in rail operations and infrastructure, and \$3.9 million in transit capital, service initiatives, and transportation to work. The airport safety, protection and improvement program was increased by \$1.0 million. The Governor and the Senate included these adjustments.	51,446,800
9. Blue Water Bridge Fund Adjustment. This adjustment would realign the fund with available toll revenue. In FY 2013-14 and FY 2014-15, appropriations to the fund were increased to prepare for a customs plaza project. The Governor and Senate included a total of \$10.6 million for the fund after accounting for this adjustment.	(14,054,000)
10. IDG Adjustments. Technical adjustments to IDG grants to other departments totaled a negative \$414,800, and adjustments to IDGs from other departments totaled a negative \$11,100.	(425,900)
11. Debt Service Adjustment. Debt service obligations decreased. In FY 2014-15, \$242.3 million, \$0 GF/GP was appropriated to debt service. The Governor and Senate included \$238.9 million, \$0 GF/GP to debt service in FY 2015-16.	(3,457,500)
12. Economic Adjustments. Included a negative \$3,073,700 Gross and \$0 GF/GP for OPEB and \$1,525,000 Gross and \$0 GF/GP for other economic adjustments.	(1,548,700)
13. Other Changes. The Governor and Senate increased finance, contracts and support services by \$150,000 Gross, \$0 GF/GP, and deleted the one-time appropriation of \$1.1 million Gross, \$1.1 million GF/GP in startup funds for the Regional Transit Authority.	(950,000)
14. Comparison to Governor's Recommendation. The Senate is \$0 Gross and \$0 GF/GP over the Governor.	
Total Changes	(\$89,340,100)
FY 2015-16 Senate Appropriations Committee Gross Appropriation	\$3,635,722,500

Boilerplate Changes from FY 2014-15 Year-to-Date:

1. **Billboards and Motorist Behavior.** The Senate included a restriction against the department spending funds to examine the relationship between billboards and motorist behavior. (Sec. 376)
2. **Statement of Legislative Intent Regarding NITC.** The Senate included language specifying that the Legislature's actions with regard to permission for project activities or reporting requirements are not legislative approval of the crossing agreement. (Sec. 205)
3. **Disciplinary Action.** The Governor deleted and the Senate retained a prohibition against MDOT from taking disciplinary action against an employee for communicating with the Legislature. (Sec. 215)
4. **Notice of Proposed Federal Regulations.** The Senate included language that would require the Department to notify the legislature regarding proposed Federal Rule changes. The notice would have to be given within 10 days of the proposed rule being posted to the Federal Register. (Sec. 204)
5. **Remanufactured Parts and Alternative Road Materials.** The Governor deleted and the Senate retained a requirement for MDOT to prioritize the use of remanufactured parts as the primary means of vehicle maintenance (Sec. 270), and a requirement that MDOT evaluate the use of materials which incorporate crumb rubber from scrap tires (Sec 660).
6. **Effects of Policy Changes; Small Businesses.** The Governor and the Senate deleted a requirement for MDOT to report on policy changes made to implement public acts, and a prohibition against funds being used in a way that would have a disproportionate economic impact on small businesses. (Sec. 263)
7. **Contractor-Related Requirements.** The Governor deleted and the Senate retained the following requirements and prohibitions: 1) MDOT must post signs regarding the contractor responsible for rest area maintenance (Sec. 319); 2) MDOT must review its contractor payment process and ensure prompt payment and prime contractor compliance (Sec. 353); 3) MDOT must complete any required inspections for local Federal aid projects within 120 days of submission (Sec. 357); 4) MDOT may not reimburse contractors for certain costs (e.g., groundbreaking ceremonies) from appropriated funds (Sec. 375); 5) as a condition of each contract for construction, maintenance, or engineering services, MDOT must require the contractor to use the E-Verify system (Sec. 381); 6) in administering a local government contract, within two years of final payment to a contractor, MDOT must submit the final cost-sharing bill to the local government (Sec. 382).
8. **Department-Owned Aircraft Reports.** The Governor included language from boilerplate prior to FY 2014-15. In FY 2014-15, the language was amended and included more specific reporting requirements. The Senate included the language from FY 2014-15. (Sec. 383)
9. **Dead Animal Removal.** The Governor deleted and the Senate retained a provision that MDOT must consider the removal of large animal remains from highway shoulders a priority. (Sec. 610)
10. **Report Requirements.** The Governor and the Senate deleted a requirement that MDOT must retain all reports in compliance with Federal and State guidelines. (Sec. 212). The Governor and the Senate also deleted requirements that MDOT must provide a report or information regarding the following: expenditures for administration and planning associated with local governments (Sec. 233); money to be received by each local government within a legislator's district (Sec. 303); the amount of Federal aid for allocations to certain State and local programs (Sec. 401); a railroad company's abandonment of a railroad line (Sec. 703); a rail feasibility study between Holland and Detroit (Sec. 712); the encumbered and unencumbered balances of the CTF (Sec. 740); and rollover test standards for transit buses (Sec. 741). The Governor and the Senate deleted requirements to provide the State Budget Office with: GF/GP appropriation lapses by program area (Sec. 228); and estimates regarding State fund balances, revenues, and expenditures (Sec. 229). The Governor deleted and the Senate retained the following report requirements: a rolling five-year plan of all construction projects (Sec. 307), and associated criteria for the plan (Sec. 603); MDOT's activities related to the prequalification of construction contractors (Sec. 308); the status of the State infrastructure bank (Sec. 313(3)); contract incentives for State trunkline projects (Sec. 612); the status of airport improvement projects (Sec. 902); and timely production of copies of agendas and approved minutes for monthly commission meetings (Sec. 310).
11. **Warranty Development.** The Governor deleted and the Senate modified a requirement for MDOT to work with the road construction industry and engineering consulting community to develop performance and road construction warranties. (Sec. 601)
12. **Benchmarks and Performance Measurement.** The Governor deleted and the Senate retained a requirement for the Department to measure performance relating to expenditures for programs over \$0.5 million, and report on proposed benchmarks. (Sec. 204)

13. **Pedestrian Crossing Study (vetoed in FY 2014-15).** The Governor and the Senate deleted a requirement for the department to study the feasibility of a pedestrian crossing over Bear River in Petoskey along US Highway 131, which was initially included and vetoed in FY 2014-15. (Sec. 311)
14. **Service Consolidation Workgroup.** The Governor and the Senate deleted a requirement for MDOT to conduct a workgroup aimed at consolidating transportation services for low-income, elderly, and disabled individuals. (Sec. 312)
15. **Best Practices.** The Governor and the Senate deleted a requirement for the Department to promote best practices in public transportation services, and to report on efforts taken to implement best practices. (Sec. 393)
16. **Existing Roads as Priority.** The Governor deleted and the Senate retained a requirement for the department and local road agencies to make preservation of existing roads a funding priority. (Sec. 394)
17. **Highway Maintenance Outcomes & Measures.** The Governor included a requirement that the increase in highway maintenance must support safety-related, high-priority and deferred routine maintenance needs. The Senate did not include the corresponding increase or the requirement. (Sec. 605)
18. **Elimination of One-Time Appropriations.** The Governor and the Senate deleted provisions regarding State trunkline Federal match (Sec. 1001); State and local road funding (Sec. 1002); reporting requirements regarding transit capital and rail infrastructure (Sec. 1003), a high-speed rail crossing pilot program (Sec. 1004, which was vetoed in FY 2014-15), and startup funding for the Regional Transit Authority (Sec. 1005). The Governor deleted and the Senate modified reporting requirements regarding a freight-rail tunnel from Detroit to Windsor (Sec. 1006)
19. **Bicycle Roadway Safety.** The Senate included a boilerplate appropriation of \$14,000 for bicycle safety education and training related to roadways and bicycle lanes. (Sec. 1007)

Date Completed: 4-28-15

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