



Senate Fiscal Agency
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BILL ANALYSIS

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| FY 2004-05 Year-to-Date Gross Appropriation | \$115,997,200 |
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Changes from FY 2004-05 Year-to-Date:

Items Included by the House and Senate

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| 1. Federal Grant Adjustments. The House and Senate include adjustments to IDEA funding of alternative assessments for students with disabilities, increased Title VI testing dollars, changes in Title I and Reading First grants, and the discontinuation of Urgent School Renovation Grant funding authorization. | 2,157,000 |
| 2. School Breakfast Program. The House and Senate include \$1,600,000 (all GF) due to increasing costs and reimbursement of increasing numbers of breakfasts served. | 1,600,000 |
| 3. Private Fund Increases. The House and Senate include funds from the Mott Foundation and Robert Wood Johnson Foundation (\$67,000), as well as a private special education donation for programs to improve student outcomes (\$100,000). | 167,000 |
| 4. Replacing MEAP with Merit Exam Costs. The House and Senate include funding to cover costs associated with enactment of legislation replacing the current high school MEAP exam with an augmented college entrance exam (\$2,600,000 Merit Award Trust Fund dollars). | 2,600,000 |
| 5. Transfer Out Michigan School Readiness Program to School Aid Budget. The House and Senate transfer out the competitive MSRP program to the K-12 budget. | (12,250,000) |
| 6. Economic Adjustments. The House and Senate include economic adjustments of \$2,855,900 Gross, of which \$293,500 is funded from GF/GP. | 2,855,900 |
| 7. Other Changes. The House and Senate include a Human Resources Optimization Charge, standard across all agency budgets. | 14,700 |

Conference Agreement on Items of Difference

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| 8. Federal Funding of a Longitudinal Student Data System. The House concurs with the Senate to include \$3,000,000 Federal funds supporting an enhanced student data system. | 3,000,000 |
| 9. National Governor's Association Grant. The House concurs with the Senate to include a \$1,000,000 private grant to fund costs associated with updating the high school grade level content expectations. | 1,000,000 |
| 10. Benchmarking Services from Standard and Poor's. The Conference Report includes \$350,000 GF to contract with Standard & Poor's to provide benchmarking and district-level written reports, and \$350,000 (GF) for a State Board study on best practices in education. | 700,000 |
| 11. National Board Certification Grants (NBCG) and Alternative Route to Certification (ARC) at CMU. The Conference Report discontinues NBCG, retains ARC, and implements a new \$100,000 competitive grant program for higher education institutions to provide professional development or enhanced curricula in mathematics. | (75,000) |
| 12. Other Items. The House concurs with the Senate to include a \$150,000 line item to receive rent from a building lease at the Michigan Schools for the Deaf and Blind. The Senate concurs with the House not to reduce DIT by 2%. Finally, both chambers include a target reduction of \$91,200 GF due to group insurance and contract savings. | 58,800 |

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| Total Changes | \$1,828,400 |
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| FY 2005-06 Conference Report Gross Appropriation | \$117,825,600 |
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2004-05 Year to Date:Items Included by the House and Senate

1. **Out-of-State Travel Prohibition for State Board of Education.** The Conference Report allows out-of-state travel for members of the State Board of Education if the travel is directly related to Board duties. (Sec. 301)
2. **Annual Report on Michigan School for the Blind Expenditures.** The House and Senate did not concur with the Governor to eliminate an annual report on expenditures made from general services at the Michigan School for the Blind former site. (Sec. 410)
3. **Michigan School Readiness Program.** The House and Senate eliminate language providing for the competitive grant portion of the MSRP and insert it, along with the funding, into the K-12 budget. (Sec. 703 current law)

Conference Agreement on Items of Difference

4. **Office for Safe Schools.** The House concurs with the Senate to eliminate two subsections of the Office for Safe Schools section, one of which was not doable under Federal guidelines and the other already completed. (Sec. 208)
5. **Personal Service Contracts.** The House concurs with the Senate to eliminate a section requiring monthly reports on personal service contracts awarded without competitive bidding (the DMB Act retains such reports). (Sec. 214)
6. **Departmental Employee Contact with Legislature.** The House concurs with the Senate to include a new section prohibiting the Department from taking disciplinary action against any employee for communicating with a Legislator or his or her staff. (Sec. 215)
7. **Depressed and Deprived Communities.** The House concurs with the Senate to retain this section, which encourages business in depressed and deprived communities, with a technical change. (Sec. 216)
8. **Auditor General Audit Costs.** The Senate concurs with the House to retain a section requiring the Department to pay within 60 days the bills submitted by the AG for audits of Federally funded programs. (Sec. 219)
9. **Best Practices Study.** The Conference Report includes a section earmarking \$350,000 to the State Board of Education to undertake a study and advise the Legislature and Governor on local, state, and national education best practices in education. (Sec. 303 NEW)
10. **Teacher Preparation Programs.** The Senate concurs with the House to retain a section providing \$75,000 for Central Michigan University's Alternative Route to Certification program, and eliminate the \$75,000 for Wayne State University's Limited License to Instruct program. (Sec. 503)
11. **Middle School Math Project.** The Conference Report includes a section providing two \$50,000 competitive grants to universities or the Michigan Virtual High School for the provision of professional development or enhanced curricula in middle school mathematics. (Sec. 703 NEW)
12. **National Board Certification Grants.** The House concurs with the Senate to eliminate language for this program since funding also was eliminated. (Sec. 704 current law)
13. **Standard and Poor's Benchmarking and Report Services.** The Conference Report includes the majority of a section inserted by the House which provides \$350,000 to the Department to contract with Standard and Poor's for benchmarking training services and district-level reports. (Sec. 1001)

Date Completed: 9-15-05

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