

ENERGY, LABOR, AND ECONOMIC GROWTH

Senate Bill 243 (H-1), House Committee Recommendation

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Revised June 16, 2009

	FY 2008-09 YTD	FY 2009-10 Revised Exec	FY 2009-10 Senate	FY 2009-10 House	Difference: House From FY 2008-09 YTD	
					Amount	%
IDG/IDT	\$30,774,200	\$29,117,100	\$29,117,100	\$29,117,100	(\$1,657,100)	(5.4%)
Federal	874,942,400	918,286,200	917,336,200	916,466,200	41,523,800	4.7
Local	15,889,200	15,921,000	15,921,000	15,921,000	31,800	0.2
Private	5,314,300	5,314,300	5,314,300	5,214,400	(99,900)	(1.9)
Restricted	402,614,000	399,903,500	399,803,500	400,199,000	(2,415,000)	(0.6)
GF/GP	59,635,300	73,914,300	65,430,700	45,756,500	(13,878,800)	(23.3)
Gross	\$1,389,169,400	\$1,442,456,400	\$1,432,922,800	\$1,412,674,200	\$23,504,800	1.7%
FTEs	4,383.5	4,723.0	4,705.0	4,703.0	319.5	7.3

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through May 6, 2009 (including EO 2009-22). However, it does not fully include savings estimated from furlough days in EO 2009-22, as fund source detail isn't available. Moreover, this does not include the \$236.1 million in additional federal funding available through the American Recovery and Reinvestment Act and appropriated in 2009 PA 7 (HB 4258). [Recovery Act supplementals concerning the Unemployment Insurance Agency and energy programs are still pending.] The Revised Executive Recommendation includes a revision, dated March 4, 2009, reducing the GF/GP appropriation to the SHPO and archaeology programs, included within MSHDA. Executive Order 2009-22 was issued before the Executive Recommendation and the Senate version were issued, so those bills do not incorporate reductions included in the EO.

Overview

The Department of Energy, Labor, and Economic Growth has primary responsibility for the regulatory functions that relate specifically to commercial, business, and workers' issues. It also includes various employment training-related programs, as well as unemployment and workers compensation administration. Executive Order 2008-20 transferred certain energy-related functions from the Department of Environmental Quality in order to consolidate energy programs within the department. The EO also renamed the department, adding "Energy" to its name.

Highlights

The House subcommittee substitute reduces the No Worker Left Behind GF/GP to \$5.0 million; Michigan Nursing Corps to \$1.5 million; Focus: HOPE GF/GP to \$360,200, and takes the annualized EO 2009-22 administrative reduction (\$5.8 million) through a budgetary savings unit, with the reductions made at the department's discretion, subject to the legislative transfer process. Placeholder appropriations are provided for the Housing and Community Development Fund, the Michigan Tax Tribunal, and grants for the Centers for independent Living, as well as the Agriculture Economic Development IDG added by the Senate. The substitute does not include the proposed transfer of the state historic preservation office and archaeology programs from the Department of History, Arts, and Libraries, for which an executive order eliminating the department is still pending.

In addition to the GF/GP reductions there are two fund shifts that would result in additional GF/GP savings within the fiscal year. The substitute organizes the METRO Authority within the Public Service Commission, moving funding from re-directed liquor revenue (the surplus of which is credited to the General Fund) to public utility assessments. The substitute also replaces \$3.1 million GF/GP support for the Bureau of Fire Services with part of the unexpended balance in the Emergency 911 Fund (Local Exchange Providers).

Boilerplate language is added directing the Bureau of Fire Services and the Michigan Tax Tribunal to review their current fee structures and provide a report to the Legislature outlining a proposed fee structure that would be in place (contingent on any statutory or administrative rule changes) beginning in FY 2010-11. Boilerplate changes also require the department to submit a report detailing the expenditures and revenues associated with licensing enforcement activities, and require local units receiving fire protection grant assistance to provide a report to the department detailing how FPG assistance is expended by the local unit and detailing the activities (and concomitant costs) of the local fire department as it relates to state property. Boilerplate also requires locals to report to the department on any liquor-related fees imposed by the local unit, as well as detailing how liquor law enforcement grants are expended by the local unit.

Major Budget Issues

<u>Major Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09</u> <u>YTD</u>	<u>Exec. Change</u> <u>From YTD</u>	<u>Senate Change</u> <u>From YTD</u>	<u>House</u> <u>Change From</u> <u>YTD</u>
Items					
NEW ITEMS INCLUDED IN THE HOUSE SUBCOMMITTEE RECOMMENDATION					
1. Michigan Nursing Corps	Gross	\$4,545,600	\$454,400	\$454,400	(\$3,045,600)
The House reduces funding from \$4.5 million to \$1.5 million, essentially eliminating the increase in funding provided in FY 2008-09. EO 2009-22 reduced funding by \$454,400 (the unobligated balance after awards were made), so the reduction isn't included in the Executive or the Senate.	GF/GP	\$4,545,600	\$454,400	\$454,400	(\$3,045,600)
2. Bureau of Fire Services	Gross	\$5,929,700	\$608,200	\$608,200	\$608,200
The House replaces \$3.0 million GF/GP with part of the unobligated balance in the Emergency 911 Fund (Local Providers Account). Previously, the Emergency 911 Service Enabling Act charged a \$0.52 state 911 charge, and permitted local providers to seek reimbursement from the fund for costs associated with implementing the FCC wireless order and the act and incurred before December 31, 2005. Providers that sought reimbursement charged \$0.52, while those that did not charged \$0.29. After December 31, 2005 the state 911 charge dropped to \$0.29. The fund balance is the result of providers charging \$0.52 but not seeking reimbursement for costs. The deadline to seek reimbursement ended more than two years ago. EO 2009-22 reduced funding by \$545,000, which isn't included in any of the three budget recommendations. The House combines the Firefighter Training Council, Fire Marshal, and Fire Safety Program line items into one line item for entire Bureau.	IDG	809,800	0	0	0
	Federal	788,000	0	0	0
	Restricted	1,816,700	38,200	38,200	3,123,400
	GF/GP	\$2,515,200	\$570,000	\$570,000	(\$2,515,200)
4. METRO Authority	Gross	\$560,500	\$0	\$0	\$0
The House moves the METRO Authority, which regulates rights-of-way issues involving telecommunications and cable providers. The act did not establish a funding mechanism for the authority. The authority is funded through re-directed liquor funds, the surplus of which is credited to the General Fund. The House organizes (and provides funding for) the authority within the Public Service Commission, thereby resulting in a GF/GP savings of \$560,500. The authority is rolled into the MPSC line.	Restricted	560,500	0	0	0
5. Annualize EO 2009-22 Reductions	Gross	(\$2,908,200)	N/A	N/A	(\$2,908,200)
The House annualizes the four percent administrative reductions made in EO 2009-22. Rather than detailing specific line item reductions, the House includes the reductions as a budgetary savings appropriation unit, which permits the department to use its discretion in making the required reductions. Boilerplate directs that these reductions would be subject to the legislative transfer process (requiring a legislative transfer request from the State Budget Office and approval from the legislative appropriations committees.) Those line items that took a reduction in EO 2009-22 are appropriated, under the House substitute, at the Executive Recommended level, unless otherwise amended.	GF/GP	(\$2,908,200)	N/A	N/A	(\$2,908,200)

<u>Major Budget Changes From FY 2008-09 YTD Appropriations</u>	<u>FY 2008-09 YTD</u>	<u>Exec. Change From YTD</u>	<u>Senate Change From YTD</u>	<u>House Change From YTD</u>
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ITEMS OF DIFFERENCE

6. Centers for Independent Living	Gross	\$3,079,700	\$0	\$400,000	(\$3,079,200)
EO 2009-22 reduced funding for the 15 CILs by \$500,000, effectively eliminating the \$500,000 (Corporations Fees) increase included in the FY 2009 enacted budget (2008 PA 251, HB 5809), and maintaining funding at prior-year levels. This reduction was not contemplated in either the Executive Recommendation or the Senate version.	Federal	870,200	0	0	(870,000)
	Private	100,000	0	0	(99,900)
	Restricted	500,000	(500,000)	(500,000)	(499,900)
	GF/GP	\$1,609,500	\$500,000	\$900,000	(\$1,609,400)

The **Executive** removes \$500,000 (Corporations Fees) added in FY 2009 to support the CILs, and maintained the FY 2009 enacted GF/GP funding level of \$2.1 million.

The **Senate** concurs with the reduction in Corporations Fees, but adds \$400,000 GF/GP, above the FY 2009 enacted level.

The **House** includes a placeholder appropriation. Boilerplate directs that Corporations Fees appropriated for the CILs (for now, a \$100 placeholder) would be allocated to the 5 CILs that do not receive core funding under Title VII, Part C of the federal Rehabilitation Act.

The YTD figure above does not include \$290,700 in federal funds available under the American Recovery and Reinvestment Act appropriated under 2009 PA 7.

7. Office of Administrative Hearings and Rules	FTEs	170.5	5.5	7.5	5.5
The Executive adds 11.0 FTE positions and \$1.3 million (IDG-DHS) to support increased hearing caseloads from the Department of Human Services; transfers 3.0 FTE positions and \$263,600 (L&R Fees) to the Bureau of Commercial Services, and aligns funding and FTE positions with support and activities from Corrections, Education, and Human Services.	Gross	\$23,051,200	\$818,100	\$818,100	\$818,100
	IDG	11,254,200	1,081,700	1,081,700	1,081,700
	Federal	6,978,800	0	0	0
	Restricted	4,818,200	(263,600)	(263,600)	(263,600)

The **Senate** does not include a reduction of 2.0 FTEs related to Corrections administrative hearings, although it does concur with the Executive in reducing the Corrections IDG by \$348,000.

The **House** concurs with the Executive.

9. HAL- Historic Preservation and Archaeology	FTEs	N/A	20.0	0.0	0.0
The Executive proposes to eliminate the Department of History, Arts, and Libraries, and transfer programs throughout state government. Included in this, is the transfer of the State Historic Preservation Office and archaeology programs to MSHDA.	Gross	N/A	\$1,933,600	\$0	\$0
	Federal	N/A	950,000	0	0
	GF/GP	N/A	\$983,900	\$0	\$0

The **Senate** continues to have a separate budget bill for HAL (SB 247).

The **House** does not include the transfer. To date, there has not been an EO eliminating the department.

Major Budget Changes From FY 2008-09 YTD Appropriations		FY 2008-09 YTD	Exec. Change From YTD	Senate Change From YTD	House Change From YTD
10. Liquor Revenue Fund Shift		Gross	N/A	\$0	\$0
The Executive replaces \$17.0 million in Liquor Purchase Revolving Funds used in several LCC-related administrative lines with an anticipated increase in Liquor License Revenue generated from proposed doubling liquor license fees, providing a 2am-4am license, and a Sunday morning license. Total estimated revenue from the fee changes is \$24.2 million, with the excess (\$7.2 million) credited to the General Fund. By replacing LPRF, the fee increases would increase the LPRF transfer to the General Fund by \$17.0 million.	Federal	N/A	0	0	0
	Restricted	N/A	0	0	0
	GF/GP	N/A	\$0	\$0	\$0
The Senate does not concur with the Executive.					
The House concurs with the Executive. The proposed fee changes are found in HB 5056.					
11. No Worker Left Behind GF/GP		Gross	\$7,163,400	\$7,836,600	(\$563,400)
EO 2009-22 reduced GF/GP funding for NWLB by \$7,163,400, by eliminating the allocation for community colleges (\$2.5 million), which had not been awarded at the time, and by reducing funding available for training by \$5.3 million. This reduction was not considered in either the Executive or the Senate.	GF/GP	\$7,163,400	\$7,836,600	(\$563,400)	(\$2,163,400)
The Executive continued the FY 2009 enacted GF/GP appropriation of \$15.0 million GF/GP.					
The Senate appropriated \$6.6 million GF/GP, reducing the FY 2009 enacted appropriation by \$8.4 million.					
The House reduces the FY 2009 YTD appropriation by an additional \$2,163,400, which equates to a reduction of \$10.0 million from the FY 2009 enacted appropriation.					
12. Michigan Occupational Safety and Health Administration (MIOSHA)		FTEs	229.0	0.0	0.0
The Senate reduced funding by a \$100,000 placeholder. The intent is to explore the possibility of returning the program to the federal Department of Labor-Occupational Safety and Health Administration. The House does not concur with the Senate.	Gross	\$26,264,300	\$0	(\$100,000)	\$0
	Federal	12,227,400	0	0	0
	Restricted	14,036,900	0	(100,000)	0
13. Agricultural Economic Development		Gross	N/A	\$500,000	\$500,000
The Senate adds \$500,000 GF/GP for an IDG to the Department of Agriculture "to foster and promote growth in the food and agriculture sector." The House includes a placeholder appropriation.	GF/GP	N/A	\$500,000	\$500,000	\$100
14. Michigan Tax Tribunal		Gross	\$2,028,300	\$550,000	(\$2,028,000)
The Executive and Senate Increases the appropriation by \$550,000 to work through backlog of cases. The House includes a placeholder appropriation for the MTT, which is partially funded by corporations and securities fees, in addition to MTT fees. Boilerplate language requires the MTT to provide a report to the legislature detailing a proposed fee schedule that would be in place beginning in FY 2011.	Restricted	2,028,300	550,000	550,000	(2,028,000)

Major Budget Changes From FY 2008-09 YTD Appropriations		FY 2008-09 YTD	Exec. Change From YTD	Senate Change From YTD	House Change From YTD
ITEMS INCLUDED IN ALL 3 BUDGETS					
15. Energy Program Consolidation (EO 2008-20)	FTEs	N/A	1.0	1.0	1.0
Adds 1.0 FTE position and \$1.9 million (Retired Engineers Technical Assistance Program Fund) for the consolidation of energy programs, transferred from DEQ, within DELEG.	Gross	N/A	\$1,957,200	\$1,957,200	\$1,957,200
	Restricted	N/A	1,957,200	1,957,200	1,957,200
	GF/GP	N/A	\$0	\$0	\$0
16. Unemployment Insurance Agency	FTEs	1,002.7	300.0	300.0	300.0
Adds 300.0 FTE positions and \$18.0 million (Federal) to respond to the increased number of UI benefit claims. Also recognizes \$4.6 million (Federal) for postage costs, which were previously paid directly by DOL but are now provided to states (including UIA) to pay postage costs.	Gross	\$103,928,000	\$22,587,800	\$22,587,800	\$22,587,800
	Federal	90,870,300	22,587,800	22,587,800	22,587,800
	Restricted	13,057,700	0	0	0
17. Office of Financial and Insurance Regulation	FTEs	348.0	1.0	1.0	1.0
Adds 1.0 FTE position and \$59,900 (Securities Fees) to implement increased responsibilities of 2008 PA 551 (updated Uniform Securities Act). [The Executive and the House combine OFIR's two regulatory line items, the Senate keeps them separate.]	Gross	\$52,670,200	\$59,900	\$59,900	\$59,900
	Federal	50,400	0	0	0
	Restricted	52,169,800	59,900	59,900	59,900
18. Jobs, Education, and Training (JET) Program	FTEs	57.0	0.0	0.0	0.0
Reduces \$3.0 million in administrative costs, based on anticipated program efficiencies.	Gross	\$18,410,200	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)
	IDG	18,410,200	(3,000,000)	(3,000,000)	(3,000,000)
19. MSHDA Payments on Behalf of Tenants	Gross	\$145,000,000	\$11,000,000	\$11,000,000	\$11,000,000
Increases funding for Section 8 Rental Assistance based on anticipated revenue from the U.S. Department of Housing and Urban Development.	Federal	145,000,000	11,000,000	11,000,000	11,000,000
20. Remonumentation Grants	Gross	\$11,000,000	(\$5,700,000)	(\$5,700,000)	(\$5,700,000)
Decreases authorization for grants to counties based on estimated revenue.	Restricted	11,000,000	(5,700,000)	(5,700,000)	(5,700,000)
21. Low Income Energy Efficiency Fund	Gross	\$93,200,000	(\$3,200,000)	(\$3,200,000)	(\$3,200,000)
Reduces authorization by \$3.2 million to align with annual revenue and provide sufficient authorization to re-appropriate prior-year awards not fully expended. From FY 2009 enacted, this represents an increase of \$10.0 million. Annual revenue is \$84.0 million.	Restricted	93,200,000	(3,200,000)	(3,200,000)	(3,200,000)
22. Information Technology	Gross	\$42,853,200	\$1,173,500	\$1,173,500	\$1,173,500
Increases funding (\$618,900) to provide DELEG's share of the costs for the Michigan Business Services improvement initiative (MBSii) - a one-stop web portal designed to improve the business-state interface as it relates to starting and operating a business in the state; adds \$655,600 for Microsoft license upgrade; includes \$101,000 in efficiencies. IT-costs related to the transfer of HAL programs are not included in the Senate or House.	Federal	27,479,400	301,200	301,200	301,200
	Restricted	15,373,800	872,300	872,300	872,300
23. Commission for the Blind	Gross	\$19,684,900	\$4,575,000	\$4,575,000	\$4,575,000
Increases authorization based on federal revenue available.	Federal	14,246,100	4,575,000	4,575,000	4,575,000
	Local	521,000	0	0	0
	Private	110,300	0	0	0
	Restricted	545,200	0	0	0
	GF/GP	\$4,262,300	\$0	\$0	\$0

Major Budget Changes From FY 2008-09 YTD Appropriations		FY 2008-09 YTD	Exec. Change From YTD	Senate Change From YTD	House Change From YTD
24. Annualize EO 2008-21 Reductions	Gross	N/A	(\$285,500)	(\$285,500)	(\$285,500)
Annualizes GF/GP reductions from EO 2008-21 for Fire Marshal (\$5,000), Fire Safety (\$10,000), Fire Fighters Training Council (\$10,000), Workers Compensation Agency (\$200,000), Workers Compensation Board of Magistrates and Appellate Commission (\$10,500), and Workforce Programs Administration (\$50,000).		N/A	(\$285,500)	(\$285,500)	(\$285,500)
25. FY 2008-09 Economic Increases	Gross	N/A	\$9,344,000	\$9,344,000	\$9,344,000
	IDG	N/A	261,200	261,200	261,200
	Federal	N/A	4,277,500	4,277,500	4,277,500
	Local	N/A	31,800	31,800	31,800
	Restricted	N/A	4,261,500	4,261,500	4,261,500
	GF/GP	N/A	\$512,000	\$512,000	\$512,000

Major Boilerplate Changes From FY 2008-09

The boilerplate sections are re-organized into 8 categories to improve readability: (1) General Sections; (2) Regulatory; (3) Office of Financial and Insurance Regulation; (4) Housing and Community Development; (5) Michigan Rehabilitation Services and Michigan Commission for the Blind; (7) Career Education; (8) Workforce Development.

Sec. 205. Hiring Freeze - DELETED

Prohibits DELEG from hiring new full-time classified civil service employees and from filling vacant state classified civil service positions unless exceptions to the freeze is granted by the state budget director. The **Executive** deletes this section; the **Senate** retains it. The **House** deletes this section.

Sec. 214. IT Projects - DELETED

Designates IT services and projects appropriation as a work project. The **Executive** deletes this section; the **Senate** retains it; the **House** deletes it.

Sec. 215. Policy Changes - RETAINED

Requires DELEG to report on policy changes made to implement public acts; prohibits adopt of rules that have a disproportionate impact on small businesses. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 216. Appropriated Funds De-Aggregation - DELETED

States intent that all part 1 funds sources not be aggregated into general categories, but be specifically identified as much as possible. The **Executive** deletes this section; the **Senate** retains it; the **House** deletes it.

Sec. 219. Executive Branch Employee Communications with Legislature - DELETED

Prohibits disciplinary action against Executive employees that communicate with a legislator or legislative staff. The **Executive** deletes this section; the **Senate** retains it; the **House** deletes it.

Sec. 222. Government Efficiency Commission Recommendations - RETAINED

Requires DELEG to review recommendations of the Commission on Governmental Efficiency. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 223. Contingency Appropriations - MODIFIED

The **Executive** increases authorization for contingency appropriations. Total contingency appropriations are \$31.0 million Federal, \$26.2 million Restricted; \$8.2 million Local; and \$600,000 Private. The **Senate** deletes the federal contingency appropriation, and maintains the current-year authorization of \$13.2 million for state restricted funds. The **House** concurs with the Executive.

Sec. 224. Restrictions on Out-of-State Travel to Training Seminars - DELETED

Prohibits more than one DELEG employee traveling out-of-state for training conferences unless funded by federal or private funds. The **Executive** deletes this section; the **Senate** retains it; the **House** deletes it.

Sec. 226. General Fund/General Purpose Lapse Report - RETAINED

The **Senate** added a section requiring the department to submit a report, not later than October 15, 2010, providing estimates of GF/GP lapses for departmental programs. The **House** concurred with the Senate.

Major Boilerplate Changes From FY 2008-09

Sec. 229. Budgetary Savings - NEW

The **House** adds a budgetary savings unit (\$5.8 million). The corresponding boilerplate section provides that the reductions are subject to the legislative transfer process.

Sec. 301a. Fire Protection Grant Report - NEW

The **House** adds a section requiring local units of government receiving fire protection grant assistance to submit a report to the department detailing how grant assistance is expended by the local unit, and also detailing the fire-related activities of the local unit on state property, and the cost of those activities.

Sec. 302a. Fire Service Fees - NEW

The **House** adds a section requiring the Bureau of Fire Services to develop a proposed schedule of fees to fund the bureau's activities, with the intent of having the fee schedule incorporated into the FY 2010-11 Executive Budget Recommendation.

Sec. 311. Transfer to Construction Code Fund - DELETED

Transfers \$3.0 million in surplus corporation fees (copy and certification fees) to the State Construction Code Fund. The **Executive**, **Senate**, and **House** delete this section. (Intended to be a one-time transfer.)

Sec. 322 (Former Sec. 358). Real Estate Education Fund - RETAINED

Allows real estate pre- and post-licensure education to be delivered through on-line courses by a community college, university, or private school; allows Real Estate Education Fund to be used for grants to educational providers to establish on-line courses available to students. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 332. UI Computer System - NEW

The **Senate** adds a provision requiring the department to complete the RFP process for upgrading the state's UI computer system. The **House** concurs with the Senate.

Sec. 333. UI Internet Claims - NEW

The **Senate** adds a provision requiring the department to work to increase the number of Internet-filed unemployment benefit claims (with a goal of 50% of UI claims being filed via the Internet by July 1, 2010), and requiring a quarterly report on the number of claims filed via the Internet. The **House** concurs with the Senate.

Sec. 337 (FY 2009). OFIR Credit Scoring - DELETED

Prohibits expending funds to implement a ban on credit scoring in insurance rate setting until the Legislature has authorized such a prohibition. The **Executive** deletes this section. The **Senate (Section 406)** retains this section, and provides that the prohibition is in accordance with Attorney General Opinion No. 7225 (February 27, 2009). The **House** deletes this section.

Sec. 340 (FY 2009). Health Maintenance Organization (HMO) Financial Filings - DELETED

Requires that OFIR provide copies of HMO quarterly and annual financial filings to the fiscal agencies. The **Executive** deletes this section; the **Senate (Section 407)** retains it; the **House** deletes it.

Sec. 342 (FY 2009 Sec. 365). Training Grant to Aggregate industry - RETAINED

Requires allocation not less than \$40,000 for training grants to non-profit organizations representing the aggregate industry in Michigan. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 345 (Senate). Federal Enforcement of OSHA Standards - NOT INCLUDED

The **Senate** adds a provision stating the Legislature's intent to return the occupational safety and health program back to the federal government and to explore the option of entering an agreement with the federal government to continue the safety and training program for employers. The **House** does not concur with the Senate.

Sec. 351 (FY 2009 Sec. 378). SOAHR Decisions in Public Assistance Cases - RETAINED

States legislative intent that the State Office of Administrative Hearings and Rules (SOAHR) develop a system to post administrative hearing decisions regarding public assistance on the Internet. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 352 (FY 2009). Board of Magistrates and Appellate Commission - DELETED

Requires expenditures in part 1 be used so that cases are decided in a timely manner; funds from unclassified salaries appropriation line to support five appellate commissioners and 26 magistrates. The **Executive** deletes this section; the **Senate** retains it; the **House** deletes this section.

Sec. 352. (FY 2009 Sec. 379). Teacher Tenure Cases - RETAINED

Requires SOAHR to report on the status of pending teacher tenure cases. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Major Boilerplate Changes From FY 2008-09

Sec. 355 (FY 2009). Ergonomics Rules Prohibited - DELETED

Prohibits promulgate of ergonomics rules that are more stringent than voluntary federal guidelines. The **Executive** deletes this section. The **Senate** retains this section, and provides that the prohibition is in accordance with Attorney General Opinion No. 7225 (February 27, 2009). The **House** deletes this section.

Sec. 361 (Former Sec. 335). Low-Income Energy Efficiency Assistance Program - RETAINED

Establishes deadlines for application and award announcements; requires the Public Service Commission to report to the Legislature and state budget office on the distribution of funds. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 364. Agriculture Economic Development - NEW

The **Senate** adds a section directing that the \$500,000 GF/GP appropriated in Part 1 for agricultural economic development be expended by DELEG as an IDG to the Department of Agriculture foster the promote growth in the food and agriculture sector. The **House** concurs with the Senate, but leaves a \$100 placeholder appropriation.

Sec. 366. METRO Authority - NEW

The **House** adds a section providing intent language moving the METRO Authority to the Public Service Commission.

Sec. 368. Regulatory Costs Report - NEW

The **House** adds a section requiring the department to provide a report to the legislature on the regulatory costs and activities of the Bureau of Commercial Service and the Bureau of Construction Codes.

Sec. 370. Liquor Law Enforcement Grant Report - NEW

The **House** adds a section requiring local units of government receiving liquor law enforcement grant assistance (55% of retail liquor license revenue collected by the LCC returned to locals) to provide a report to the LCC on how those funds are spent, and also a report showing the liquor-related fees imposed and the amount of revenue generated from such fees.

Sec. 372. Michigan Tax Tribunal Fees Report - NEW

The **House** adds a section requiring the Michigan Tax Tribunal to develop a proposed schedule of fees to fund the MTT's activities, with the intent of having the fee schedule incorporated into the FY 2010-11 Executive Budget Recommendation.

Sec. 405 (Former Sec. 336). OFIR Expenditures - RETAINED

Requires report of actual expenditures for last completed fiscal year for each division within OFIR. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 415. Private Occupational School License Fees - DELETED

Requires that these appropriated fees be applied to administrative cost of Proprietary Schools Oversight Unit. The **Executive**, **Senate**, and **House** delete this section.

Sec. 418. Employment Outcomes for Future Faculty Program Participants - DELETED

Requires participating universities to provide DELEG with information on employment outcomes of program participants; requires report on this data. The **Executive**, **Senate**, and **House** delete this section.

Sec. 421. Marketing of King-Chavez-Parks Program - DELETED

Directs DELEG to mark the program to parents and students, and report to the Legislature electronically on these marketing efforts; requires program be administered as it was when in the Department of Education. The **Executive**, **Senate**, and **House** delete this section.

Sec. 440 (FY 2009). Gang Diversion - DELETED

States legislative intent to set aside some Workforce Investment Act (statewide activities) funds to support gang diversion activities and support services of local law enforcement and MWAs in Wyoming, Detroit, and Benton Harbor. The **Executive** deletes this section. The **Senate (Section 815)** retains this section, and also includes Saginaw as an eligible area to receive funds. The **House** deletes this section.

Sec. 442. Temporary Assistance for Needy Families (TANF) Contingency Funds - DELETED

Appropriates up to \$30.0 million in TANF funds, upon receipt of TANF Contingency Funds in FY 2007-08, and subsequent carryforward of TANF block grant funds in FY 2008-09. The **Executive**, **Senate**, and **House** delete this section.

Sec. 501 (FY 2009 Sec. 438). Housing and Community Development Fund - MODIFIED

Appropriates the \$2.1 million GF/GP appropriation to the Housing and Community Development Fund. The **Executive** maintained current=year language. The **Senate** adds intent language providing that at least \$2,163,400 in funding available from the American Recovery and Reinvestment Act and/or the National Affordable Housing Trust Fund be allocated for eligible purposes of the HCDF. The **House** concurs with the Senate, but leaves \$100 placeholders.

Major Boilerplate Changes From FY 2008-09

Sec. 503 (Executive). State Historic Preservation - NOT INCLUDED

Incorporated from the HAL appropriations act, this section appropriates funds received by the State Historic Preservation Office (MSHDA) from document reproduction and services, and application fees. The **Executive** includes this section. The **Senate** continues the HAL appropriation as a separate budget bill (SB 247). The **House** does not include this section. [To date, the Executive has not yet issued an Executive Order eliminating HAL.]

Sec. 603 (FY 2009 Sec. 403). Local Match Requirements for Facilities Establishment Grants - RETAINED

Requires that local match for vocational rehabilitation facilities establishment grants not exceed 21.3% for the fiscal year ending September 30. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 604a. Centers for Independent Living - NEW

The **House** adds a section providing that Corporations Fees appropriated for CIL grants are to be allocated to the 5 CILs (in Benton Harbor, Muskegon, Jackson, Traverse City, and Detroit), that do not receive core funding under Title VII, Part C, of the federal Rehabilitation Act of 1973. Each CIL is to receive the same amount as the received in Corporations Fees as they received in FY 2008-09.

Sec. 813 (FY 2009 Sec. 437). Welfare-to-Work Funds Allocation - MODIFIED

Allocates \$200,000 to public-private welfare-to-work partnership involving an imbedded DHS caseworker at the job site of an employer to work with employees receiving public assistance. The **Executive** deletes this section. The **Senate** retains this section, but allocates the funds from the Workforce Training Program Subgrantees line item. The **House** concurs with the Senate.

Sec. 814 (FY 2009 Sec. 439). Focus: HOPE Career Prep Pilot Program - RETAINED

Establishes legislative intent that DELEG work with Career Alliance (Genesee-Shiawassee Michigan Works! Agency) and other interested MWAs in implementing the career prep pilot program developed by Focus: HOPE. The **Executive** deletes this section; the **Senate** retains it; the **House** retains it.

Sec. 815. Workforce Funds for Libraries - NEW

The **House** adds a section that provides that portion of the funds distributed to local Michigan Works! Agencies for redistribution to local libraries that serve as Michigan works! access points, service centers, local partners and local libraries serving high demand service areas or underserved areas

Sec. 816 (FY 2009 Sec. 429). Focus: HOPE Reporting - RETAINED

Requires Focus: HOPE to report on its use of funds appropriated in the budget act. The **Executive** deletes this section. The **Senate** retains this section, and provides that the from funds appropriated in Part 1 for Workforce Programs Subgrantees at least \$5.0 million in Federal funds and \$860,200 GF/GP shall be allocated to Focus: HOPE. [Previously these funds were a separate line item. The funds are rolled into the workforce subgrantees line item.] The **House** concurs with the Senate, but reduces the GF/GP allocation to not more than \$360,200.

Sec. 817 (Senate). Job Training Allocation - NOT INCLUDED

The **Senate** adds a provision allocating \$300,000 from the funds appropriated in the Workforce Training Program Subgrantees line item to an organization (1) involves prospective employers as community partners; (2) trains displaced workers in health care jobs; (3) provides training at no cost or low-cost to students; and (4) demonstrates a placement rate of at least 80%. The **House** does not include this section.

Sec. 820 (Executive Sec. 907). - Nursing Education Report - NEW

Incorporated from the Higher Education appropriations act, this section requires DELEG to report on the status of nursing education programs in the state. The **Executive**, **Senate**, and **House** include this section.

Sec. 830. (FY 2009 Sec. 432) No Worker Left Behind (NWLB) Report - RETAINED

The **Executive** removes fund source detail from the required NWLB report, and adds to the reporting requirements, the number of participants securing employment within one year, the number securing employment in an occupation related to the training, and average wage of those securing employment within one year. The **Senate** maintains current language concerning fund source detail, and concurs with the Executive in requiring additional information to be reported. The **House** concurs with the Senate.

Sec. 831. (FY 2009 Sec. 432) No Worker Left Behind GF/GP Funding - MODIFIED

Directs the \$15.0 million GF/GP appropriation for No Worker Left Behind to adult education, community colleges, and worker training. The **Executive** deletes a requirement that \$2.5 million-\$5.0 million of the \$15.0 million GF/GP appropriated for NWLB be expended for capacity building at community colleges. The **Senate** provides that up to \$2.5 million shall be expended for adult education, and up to \$2.5 million shall be expended for community colleges, with the remaining balance expended for worker training in in-demand occupations. The **Senate** also reduces the GF/GP appropriation for NWLB to \$6.6 million. The **House** directs that the appropriation be used for worker training, adult education, and community colleges, but does not specifically allocate funds (\$5.0 million) among those purposes.

