



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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<b>FY 2012-13 Year-to-Date Gross Appropriation .....</b>	<b>\$328,909,900</b>
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**Changes from FY 2012-13 Year-to-Date:**

Items Included by the Senate and House

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| 1. <b>Child Development and Care IDG Reduction.</b> \$11.8 million (\$0 GF/GP) transfer to the Department of Human Services (DHS) to reflect actual expenditures for child development care and help address a statewide Temporary Assistance for Needy Families (TANF) shortfall. | (11,820,600) |
| 2. <b>Michigan College Access Network.</b> Transfer of the Michigan College Access Network (\$2.0 million Gross, \$2.0 million GF/GP) into the Higher Education budget to better align with program objectives.  | (2,000,000)  |
| 3. <b>Carl D. Perkins Grant.</b> \$40,000 (\$40,000 GF/GP) increase to meet the Carl D. Perkins Career and Technical Education grant's maintenance of effort requirements; this is a \$38.7 million Federal grant.   | 40,000       |
| 4. <b>Economic Adjustments.</b> \$249,400 Gross (\$44,100 GF/GP) for OPEB and \$2,151,200 Gross (\$466,000 GF/GP) for other economic adjustments.  | 2,400,600    |
| 5. <b>Other Changes.</b> Conference included a reduction of \$2.7 million (\$0 GF/GP) for Federal and private funding authorization to reflect actual revenue and a reduction of \$674,300 (\$164,100 GF/GP) for the expiration of one-time funds from FY 2012-13.                 | (3,356,300)  |

Conference Agreement on Items of Difference

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| 6. <b>Child Development and Care (CDC) Caseloads.</b> Conference reduced CDC public assistance line to reflect CDC caseload projections agreed upon at the May 2013 Consensus Revenue Estimating Conference.  | (20,458,600) |
| 7. <b>State Aid to Libraries.</b> Conference included a \$2.8 million (\$2.8 million GF/GP) transfer of State aid and renaissance zone reimbursements to libraries from the School Aid budget and included a \$1.4 million increase in State aid.                                       | 4,168,000    |
| 8. <b>School Improvement Plans.</b> Conference included a \$137,500 (\$137,500 GF/GP) and 1.0 FTE increase to allow the Department to review up to 300 School Improvement Plans annually (an increase from the current 180 reviews annually).   | 137,500      |
| 9. <b>Charter School Support.</b> Conference included a \$127,500 (\$63,800 GF/GP) and 1.0 FTE increase for the Office of Field Services to support and monitor newly opened charter schools resulting from the lifted charter school cap with the enactment of PA 277 of 2011.         | 127,500      |
| 10. <b>Accounting Support.</b> Conference included a \$114,000 (\$13,700 GF/GP) and 1.0 FTE increase for additional accounting support for the CDC program not transferred from DHS with the creation of the Office of Great Start.   | 114,000      |
| 11. <b>Information Technology Services.</b> Conference included \$104,000 (\$31,700 GF/GP) for increased rates for the Department of Technology, Management, and Budget's (DTMB's) statewide investment in wireless equipment, bandwidth infrastructure, and other technical increases. | 104,000      |

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<b>Total Changes .....</b>	<b>(\$30,543,900)</b>
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<b>FY 2013-14 Conference Report Ongoing/One-Time Gross Appropriation .....</b>	<b>\$298,366,000</b>
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**Amount Over/(Under) GF/GP Target: \$0**

**Changes from FY 2012-13 Year-to-Date:**Items Included by the Senate and House

1. **Online Scorecard.** Included a new section requiring the Department to maintain a scorecard that identifies, tracks, and regularly updates key metrics used to monitor their performance, on a publicly accessible website. (Sec. 222)
2. **Renaissance Zones.** Included a new section designating funds for renaissance zone reimbursements to public libraries, with a maximum amount of time for the Department of Treasury to allocate payments. (Sec. 804)
3. **Early Childhood Investment Corporation (ECIC) Report.** Added clarifying language to a required annual report on the activities of the ECIC, including information about the various grants awarded each year. (Sec. 1003)

Conference Agreement on Items of Difference

4. **Payments to Locals.** Conference adjusted payments to locals to reflect the increase in State aid to libraries. (Sec. 201)
5. **Deprived and Depressed Communities.** Conference included new standard boilerplate section requiring the State Superintendent to take reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. (Sec. 204)
6. **Department Expenditures on Website.** Conference retained current language requiring the Department to publish its annual expenditures on its website, but modified to instead require them to work with DTMB on maintaining such a site. (Sec. 207)
7. **Appeal of AYP.** Conference retained language allowing districts to appeal a determination of failing to meet adequate yearly progress, but added technical language. (Sec. 211)
8. **Out-of-State Travel.** Conference retained and modified section to include a required report on annual travel out of the State, without restrictions in current law on such travel. (Sec. 214)
9. **General Fund Lapse Report.** Conference retained language requiring a report projecting year-end General Fund lapse amounts, but changed due date from November 15 to November 30 and language requiring the Department to work with the State Budget Office (SBO) on providing such estimates. (Sec. 226)
10. **Common Core.** Conference included a new section stating that the Department's appropriations shall not be used to fund implementation of Common Core State Standards or Smarter Balanced Assessments unless an affirmative action of the legislature authorizing implementation of said standards or assessments is provided. (Sec. 231)
11. **Sub-Recipient Monitoring.** Conference included a new section designating \$180,000 from payments for sub-recipient monitoring services provided to other departments to be used for all expenses necessary to providing such services. (Sec. 232)
12. **RFP/RFI/RFQ.** Conference included new standard boilerplate requiring the Department to issue a request for proposal for a contract in excess of \$5.0 million. (Sec. 233)
13. **Head Start & Great Start Readiness Program (GSRP).** Conference included a new section requiring providers to ensure regulations of Head Start center-based programs are at least as rigorous as GSRP requirements. (Sec. 1004)
14. **Retirement Costs.** Conference included new standard boilerplate stating the intent of the Legislature to identify the amounts for normal retirement costs and legacy retirement costs for FY 2015. (Sec. 1202)

Deleted Items

15. Conference eliminated the following sections: 204 (civil service commission billing); 209 (DTMB user charges); 210 (work projects carried forward); 215 (out-of-state travel limitations); 225 (investigation and report of pupil membership fraud); 228 (cooperation with DTMB's office consolidation plan); 229 (activities and duties completed no later than deadlines); 601 (\$600,000 and 5.5 FTE earmark for charter schools office); 902 (funding uses for college access grant program); 903 (cyber school and seat-time waiver report); and 1002 (OGS report on an early childhood learning and development plan).

Date Completed: 5-28-13

Fiscal Analyst: Cameron S. Mock