



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

BILL



ANALYSIS

Telephone: (517) 373-2768

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General Government Budgets
Total Gross and GF/GP Appropriations

	FY 2013-14	FY 2014-15	Change from	Percent
	<u>Year-to-Date</u>	<u>Gov's. Rec.</u>	<u>Year-to-Date</u>	<u>Change</u>
Gross Appropriations	\$4,458,973,500	\$4,742,121,900	\$283,148,400	6.4%
GF/GP Appropriations.....	\$1,071,605,500	\$1,208,809,500	\$137,204,000	12.8%
Full-time Equated Employees (FTEs)	7,615.7	7,712.2	96.5	1.3%

	FY 2014-15	Change	Percent
	<u>Conference</u>	<u>From Gov.</u>	<u>Change</u>
Gross Appropriations	\$4,705,290,900	(36,831,000)	(0.78)%
GF/GP Appropriations.....	\$1,210,682,700	1,873,200	0.15%
Full-time Equated Employees (FTEs)	7,747.2	35	0.5%

See Individual Highlight Sheet for Department Detail



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FY 2013-14 Year-to-Date Gross Appropriation	\$89,139,900
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Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

- | | |
|--|-----------|
| 1. Unclassified Salary Increase. The Governor recommended an increase to the Unclassified Salary line item. The line increased from \$707,000 to \$724,700. The Senate concurred. | 17,700 |
| 2. Michigan Gaming Control Board. The Governor recommended an increase in funding for the Department to hire an investigator to monitor illegal gaming activity across the State. The Senate concurred. | 113,600 |
| 3. Assigned Claims Assessments. The Governor eliminated funding for this line item since those services have been privatized and are no longer supported with State funds. The Senate concurred. | (158,600) |
| 4. Economic Adjustments. Includes (\$308,100) Gross and (\$119,400) GF/GP for OPEB and \$1,817,800 Gross and \$687,500 GF/GP for other economic adjustments. The Senate concurred. | 1,509,700 |

Conference Agreement on Items of Difference

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|---|-----------|
| 5. Human Trafficking Initiative. The Governor recommended an increase in funding for the Department to hire 2.5 additional FTEs to combat human trafficking. The Senate concurred. House reduced funding by \$200,000. Conference concurred with House. | 200,000 |
| 6. Rape Kit Backlogs. Senate added a \$100 placeholder for the adjudication of the casework related to the backlog of rape kits. Conference added \$3.0 million in one-time funding for sexual assault prosecutions resulting from rape kit testing results from kits found at the now closed Detroit crime lab. | 3,000,000 |

Total Changes	\$4,682,400
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FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation	\$93,822,300
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Line Item Structure.** The Governor separated the General Government departments into separate articles within his proposed budget. The budget for the Attorney General is in Article 2. The Senate retained the current law structure.
2. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2013-14 general sections that applied to all General Government budgets to the Article for the Department of Attorney General. The Senate retained as general sections. 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. **Governor deleted the requirement for quarterly updates** (Sec. 2-206)
 - Report on out-of-state travel. (Sec. 2-216)
 - GF/GP Lapse Report. (Sec. 2-217)
 - Restricted Revenue Report. (Sec. 2-218)
 - Department Scorecards. (Sec. 2-219)
 - Prohibition on outside legal services. (Sec. 2-226)
 - Use of Internet to fulfill reporting requirements. (Sec. 2-227)
 - Buy American with a Michigan preference. (Sec. 2-228)

Conference Agreement on Items of Difference

3. **Legacy Costs.** Governor added new language listing the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimated of the amount of pension-related legacy costs. **Senate** concurred with Governor. **House** did not include. **Conference** concurred with Senate. (Sec. 315)
4. **Sexual Assault Prosecutions.** **Conference** added new language requiring the Attorney General to provide a detailed spending plan for the appropriations in Part 1 for sexual assault prosecutions resulting from the findings of rape kit testing results discovered by the Michigan State Police upon the closure of the Detroit Crime Lab. (Sec. 320)

Date Completed: 6-11-14

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FY 2013-14 Year-to-Date Gross Appropriation	\$15,198,300
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Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

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|---|---------|
| 1. Unclassified Salary Increase. The Governor and Senate recommended an increase to the Unclassified Salary line item. The line increased from \$707,000 to \$724,700. | 17,700 |
| 2. Americans with Disabilities Act (ADA). The Governor transferred from DTMB the funding and 4.0 FTEs for the program that monitors and insures the State's compliance with the ADA. The Senate concurred. | 583,500 |
| 3. Economic Adjustments. Includes (\$16,600) Gross and (\$14,300) GF/GP for OPEB and \$311,300 Gross and \$257,300GF/GP for other economic adjustments. The Senate concurred. | 294,700 |

Conference Agreement on Items of Difference

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|---|---------|
| 4. Expansion of Targeted Initiatives. The Governor recommended total funding of \$500,000 for three new initiatives to combat civil rights violations against Michigan citizens. Funding and the addition of 4.0 FTEs is recommended for the following: \$250,000 for Advocates and Leaders for Police and Community Trust; \$125,000 for the Michigan Alliance Against Hate Crimes; and \$125,000 for Anti-Bullying initiatives. The Senate concurred with the Governor while the House eliminated all funding and FTEs. Conference retained FTEs but reduced funding by \$125,000. | 375,000 |
| 5. Expansion of Intake Unit. The Governor recommended an increase in funding and the addition of 2.0 FTEs for the Department to hire additional staff to process initial customer contact information. The Senate concurred while the House eliminated all funding and FTEs. Conference concurred with Senate. | 175,000 |

Total Changes	\$1,445,900
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FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation	\$16,644,200
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Line Item Structure.** The Governor separated the General Governments departments into separate articles within his proposed budget. The Civil Rights budget is in Article 3. The Senate retained current law structure.
2. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2013-14 general sections that applied to all General Government budgets to the Article for the Department of Civil Rights. The Senate retained as general sections. 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)
 - Report on out-of-state travel. (Sec. 3-216)
 - Prohibition on outside legal services. (Sec. 3-226)
 - Restricted Revenue Report. (Sec. 3-227)
 - GF/GP Lapse Report. (Sec. 3-228)
 - Department Scorecards. (Sec. 3-233)
 - Requirement for Departments to maintain searchable websites. **Governor deleted the requirement for quarterly updates** (Sec. 3-235)
 - Use of Internet to fulfill reporting requirements. (Sec. 3-236)
 - Buy American with a Michigan preference. (Sec. 3-237)
3. **Department Report.** Governor deleted the requirement for 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; and Complaint investigations closed per FTE for the past 5 years. The Senate retained current law section and added two additional items to the report. The additions are complaint evaluations completed per FTE and productivity projections. (Sec. 404)
4. **Notifications Required Re Federal Reports or Complaints.** Governor deleted the requirement for 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. The Senate retained. (Sec. 405)

Conference Agreement on Items of Difference

5. **Legacy Costs.** Governor added new language listing the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimated of the amount of pension-related legacy costs. **Senate** concurred with Governor. **House** did not include. **Conference** concurred with Senate. (Sec. 410)

Date Completed: 6-11-14

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FY 2013-14 Year-to-Date Gross Appropriation	\$5,370,000
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Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

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|---|---------|
| 1. Executive Office. Governor included a 3% increase to reflect actual costs of operation.
The Senate concurred. | 161,100 |
| 2. Office for New Americans. Governor created a new office within the Executive Office
called the Office for New Americans to attract talented immigrants to Michigan. The
Senate concurred. | 385,000 |

Total Changes	\$546,100
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FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation	\$5,916,100
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

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. The Senate removed. There are no boilerplate sections in the Senate bill.

Date Completed: 6-11-14

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FY 2013-14 Year-to-Date Gross Appropriation	\$144,773,700
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Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

- | | |
|---|-----------|
| 1. Auditor General Adjustment – Governor recommended a 2% overall increase for Auditor General operations. The Senate concurred. | 276,500 |
| 2. Legislative Adjustment. The Governor increased overall funding for the Legislature by a total of 4.5%. The Senate will receive an increase of \$1.2 million overall while the House will receive an overall increase of \$1.6 million. The House and Senate Fiscal Agencies will receive an increase of \$154,000 each. The Legislative Council will receive an increase of \$578,500 while the Retirement System will receive an increase of \$155,300. The Farnum Building and the Cora Anderson House building would receive increases totaling \$574,000. The Senate concurred. | 4,612,600 |
| 3. Economic Adjustments. Includes (\$29,900) Gross and (\$20,200) GF/GP for OPEB and \$557,800 Gross and \$369,700 GF/GP for other economic adjustments. | 527,900 |

Conference Agreement on Items of Difference

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| 4. State Capitol Historic Site. The Governor included new restricted funding of \$3.0 million for the newly created State Capitol Historic Site line item and increased the Capitol's funding by \$138,600. The Senate concurred but added an additional \$360,000 for general operating costs for the Capitol building. House concurred with Senate but funded the \$3.0 million with GF/GP. Conference concurred with Senate. | 3,498,600 |
| 5. Auditor General - IT Auditors. The Senate added \$800,000 in funding for the Auditor General to hire up to 10.0 additional FTEs to perform audits of the State's IT systems and projects. House did not include additional funding. Conference reduced Senate's additional funding by \$400,000. | 400,000 |

Total Changes	\$9,315,600
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FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation	\$154,089,300
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Line Item Structure.** The Governor separated the General Government departments into separate articles within his proposed budget. The budget for the Legislature and the Legislative Auditor General is in Article 12. The Senate retained current law structure.
2. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2013-14 general sections that applied to all General Government budgets to the Article for the Legislature and the Legislative Auditor General. The Senate retained sections as general sections. These sections include:
 - Report on total State spending for the Department. (Sec. 12-201)
 - Definitions. (Sec. 12-203)
3. **Date Changes.** The Governor extended the work project dates to September 30, 2019, for Property Management and Legislative Automated Processing. The Senate concurred. (Secs. 606 and 607)

Conference Agreement on items of Difference

4. **Legislative Parking Facilities.** Provides for operation of Legislative parking facilities by the Legislative Council. Authorizes Legislative Council to collect fees for use of parking facilities. Provides that revenue received from parking fees shall be allocated by the Legislative Council. **Conference:** Changes reference for the operation of parking facilities for legislative employees from the Legislative Council to the Michigan State Capital Historic Site. (Sec. 604)
5. **Legacy Costs.** Governor added a general section listing the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimated of the amount of pension-related legacy costs. **Senate** concurred with Governor. **House** did not include. **Conference** concurred with Senate. (Sec. 615)
6. **Capitol Historic Site Fund.** Governor added new language stating that the appropriation from the Capitol Historic Site Fund does not take effect unless Enrolled Senate Bill 678 of the 97th Legislature is enacted into law. **Senate** concurred with Governor. **House** did not include. **Conference** concurred with Senate. (Sec. 609)
7. **Legislative Retirement System.** Senate added intent language that would transfer all administrative functions and associated funding to DTMB by the end of the fiscal year. **House** did not include. **Conference** concurred with Senate. (Sec. 618)
8. **IT Auditors.** Senate added language stating that \$800,000 may be used to hire up to 10 additional auditors to audit the State's most critical IT systems and services. **House** did not include. **Conference** concurred with Senate but reduced amount to \$400,000. (Sec. 625)

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FY 2013-14 Year-to-Date Gross Appropriation	\$219,548,900
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Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

- | | |
|---|-----------|
| 1. Unclassified Salary Increase. Governor included salary and wage increases for the unclassified salary line item. The GF/GP funded line item increased from \$707,000 to \$724,700. The Senate concurred. | 17,700 |
| 2. Vendor Increase for Elections Compliance. The Governor included GF/GP funding of \$500,000 to increase payments to vendors who maintain campaign finance systems and lobbyist registration systems. The Senate concurred. | 500,000 |
| 3. Fund Shift. The Governor replaced Michigan Transportation Fund (MTF) funding with GF/GP due to the capped amount of MTF funds that can be transferred to the Department. The shift increases GF/GP expenditures by \$300,700 while having a zero effect on the gross appropriation. The Senate concurred. | 0 |
| 4. Help America Vote Act. The Governor eliminated Federal funding for this program due to the end of the Federal funding cycle. The Senate concurred. | (350,000) |
| 5. Economic Adjustments. Includes (\$700,700) Gross and (\$32,100) GF/GP for OPEB and \$ 3,265,600 Gross and \$68,500 GF/GP for other economic adjustments. The Senate concurred. | 2,564,900 |

Conference Agreement on Items of Difference

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|---|---------|
| 6. Fraud Prevention – Data Analytics and Prosecution. The Governor included GF/GP funding of \$627,400 to allow the Department to develop a system of tools for departmentwide fraud deterrence. The Senate concurred. House reduced to \$342,700. Conference reduced Governor's funding by \$137,100 | 490,300 |
| 7. Fraud Prevention – Insurance Verification and Paper Certificates. The Governor included GF/GP funding of \$1.2 million to allow the Department to develop a process to verify paper certificates for auto insurance before renewal of vehicle registration to detect and combat fraud. The Senate concurred. House reduced Governor funding by \$546,100. Conference reduced Governor funding by \$262,900. | 940,500 |
| 8. Revised Executive Recommendation. Conference added additional funding per revised Executive Rec. | 272,600 |

Total Changes	\$4,436,000
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FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation	\$223,984,900
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Re-numbering of Sections.** Sections of boilerplate that have been retained in the Governor's budget are re-numbered accordingly for Article 16. The Senate retained current law format.
2. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2013-14 general sections that applied to all General Government budgets to the Article for the Department of State. The Senate retained these sections in the general section of the bill. These sections include:
 - Report on total State spending for the Department. (Sec. 16-201)
 - Appropriations are subject to Management and Budget Act, 1984 PA 431. (Sec. 16-202)
 - Definitions. (Sec. 16-203)
 - Report on out-of-state travel. (Sec. 16-216)
 - Requirement for Departments to maintain searchable websites. **Governor deleted the requirement for quarterly updates** (Sec. 16-227)
 - GF/GP Lapse Report. (Sec. 16-228)
 - Department Scorecards. (Sec. 16-233)
 - Prohibition on outside legal services. (Sec. 16-234)
 - Use of Internet to fulfill reporting requirements. (Sec. 16-235)
 - Buy American with a Michigan preference. (Sec. 16-236)
 - Restricted Revenue Report. (Sec. 16-237)
3. **Branch Office Closings or Relocations.** Governor deleted the requirement that least 180 days prior to the announcement of Secretary of State branch office closings or consolidations, or at least 60 days prior to relocations, that the department of state inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. Branch offices that consolidate or relocate within the same local unit of government are exempt from this notification procedure. The Senate retained. (Sec. 714)
4. **Business Application Modernization (BAM) Project.** The Governor removed language requiring the Department to report the total amount of funds spent on the BAM project from its inception. The Senate retained. (Sec. 716b)
5. **Buena Vista Branch Office.** Requires the Department to maintain a full service branch office in Buena Vista Township. The Governor removed this section. The Senate retained. (Sec. 718)

Conference Agreement on Items of Difference

6. **Legacy Costs.** Governor added new language listing the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimated of the amount of pension-related legacy costs. **Senate** concurred with Governor. **House** did not include. **Conference** concurred with Senate.(Sec. 725)

Date Completed: 6-11-14

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FY 2013-14 Year-to-Date Gross Appropriation \$1,190,805,600

Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

1. **Removal of One-Time Funding.** Governor excluded FY 2013-14 one-time funding of \$37.7 million: \$1.5 million for Delta County bridge removal; \$2.5 million for Regional Prosperity Grants; \$2.0 million for Legal Services; \$10.0 million for special maintenance; \$21.3 million for Technology Services; and \$430,500 for MSU's combined sewer overflow project. Senate concurred. (37,730,500)
2. **Unclassified Salary Increase.** Governor included salary and wage increases for the unclassified salary line item increasing from \$804,500 to \$824,600. Senate concurred. 20,100
3. **Cyber Security.** Gov. included funding to enhance Michigan's cyber security posture. Senate concurred. 6,785,000
4. **Michigan Public Safety Communications System Lifecycle and Radio Replacement.** The Governor included funding to replace system equipment. Senate concurred. 25,300,000
5. **Information Technology (IT) - Alignment of IDG Funding.** The IT portion of the budget aligned its IDG funding with enacted FY 2014 appropriations for all departments. Senate concurred. 5,551,000
6. **Motor Vehicle Fleet.** The Governor increased funding to account for higher fuel, maintenance, and vehicle leasing costs. Senate concurred. 8,300,000
7. **Professional Development Funds.** Gov. included funding to provide professional development and trainings for UAW-represented employees per contract requirements. Senate concurred. 720,000
8. **Michigan Public Safety Communication System.** Gov. transferred in the funding and FTEs from the Michigan State Police the Michigan Public Safety Communication System. Senate concurred. 16,340,900
9. **Programs Transferred Out from DTMB.** Gov. transferred out the staff and funding for two items: Administrative staff for the SBA rent program (\$699,100) are transferred to the Dept. of Treasury and the staff for the Americans with Disabilities Act (\$300,000) are transferred to the Dept. of Civil Rights. Sen. concurred. (999,100)
10. **IT Innovation Fund.** The Governor eliminates all funding for this program. Senate concurred. (2,500,000)
11. **Military Retirement Program.** The Governor increased funding for the Military Retirement Program to cover unfunded costs associated with prefunding of pensions. Senate concurred. 437,000
12. **State Building Authority (SBA) Rent Adjustments.** The Governor decreased funding for SBA line item for State Agencies to reflect decreased debt service costs. Senate concurred. (4,000,000)
13. **Economic Adjustments.** Includes (\$1,689,500) Gross and (\$370,500) GF/GP for OPEB and \$9,188,400 Gross and \$4,101,500 GF/GP for other economic adjustments. Senate concurred. 7,498,900
14. **Other Changes.** Miscellaneous adjustments were made to various line items, including: a net zero Gross change for SWCAP, however change results in a negative adjustment to GF/GP funding of (\$34,300); \$240,000 to annualize cyber security costs; \$510,200 for the Office of Children's Ombudsman; and a negative (\$475,200) various miscellaneous technical adjustments for MiResults performance metrics, BOC charges, and the Civil Service Commission. Senate concurred and added \$100 placeholder for fallen officers. 275,100

Conference Agreement on Items of Difference

15. **Regional Prosperity Grants.** The Governor converted \$2.5 million of FY 2013-14 one-time funding to an ongoing funding item for FY 2014-15. Senate and House did not include. Conference concurred with Governor. 2,500,000
16. **Enterprisewide Special Maintenance.** Gov. increased funding for the ongoing appropriations for this item to provide maintenance services to State-owned bldgs. across the State. Senate concurred. House increased by \$2.0 million. Conference concurred with Senate. 5,000,000
17. **IT Investment Fund.** Gov. increased funding for this IT program by \$28.0 million to \$75.0 million to further provide maintenance and replacement of legacy IT systems across State departments and agencies. Senate reduced Gov's increase by \$16,350,000. House reduced by \$14.0 million. Conference reduced by \$12.0 million. 16,000,000
18. **Business One-Stop.** House eliminated funding for Business One Stop. Conference concurred and added one-time maintenance funding listed below. (3,515,600)
19. **One-Time Appropriations.** Conference included the following one-time funding: \$7.0 million for special maintenance for State-owned facilities; \$5.0 million for the new Office of Urban Initiative; \$1.0 million for the Regional Prosperity Grant program; \$4.0 million for litigation costs; \$6.9 million for alignment of IT funding with agency requests; \$871,700 for Michigan Business One Stop; \$1.25 million for special projects (\$250,000 for Catholic charities, \$500,000 for military pensions, and \$500,000 for admin. priorities.) 26,022,000

Total Changes \$72,004,800

FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation..... \$1,262,810,400

Amount Over/(Under) GF/GP Target: \$0

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

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Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Requests for Proposals-Website.** Requires the Department of Management and Budget to maintain an Internet website that contains notice of all invitations to bid and requests for proposals over \$50,000. Prohibits the Department from accepting a bid or proposal less than 14 days after the request was made available on the website. Governor removed the 14-day provision. Senate retained 14-day requirement. (Sec. 810)
2. **Vendor Call or Contact Centers.** Governor removed current year language requiring disclosure of location of call/contact centers. The Senate retained. (Current Law Sec. 817)
3. **Cloud Computing.** Senate added a requirement for the Department to conduct an analysis of using public or private cloud computing technologies for new projects. (Sec. 836)
4. **State Building Authority Authorizations.** Governor added new language requiring the Legislature to determine that funding provided in Part 1 is for the leasing of facilities to be used for a public purpose. The Senate concurred. (Sec. 866)
5. **One-time Appropriations.** Governor provided boilerplate language describing the qualification process for the new proposed Regional Prosperity Grant Program. Senate concurred as Sec. 890.
6. **Litigation Fund Report.** Senate added a requirement for a quarterly report to the Legislature on litigation fund expenditures by case, purpose, and department involved. (Sec. 891)

Conference Agreement on Items of Difference

7. **Legacy Costs.** Governor added new language listing the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimated of the amount of pension-related legacy costs. Senate concurred with Governor. House did not include. Conference concurred with Senate. (Sec. 822h)
8. **Building Occupancy Rates.** Senate added language prohibiting the Dept. from charging State departments and agencies BOC for unoccupied office space provided the Dept. or agency has given a 12-month notice to vacate. Senate concurred with Governor. House did not include. Conference concurred with Senate. (Sec. 808a)
9. **Energy Savings Performance Contracts.** House Added new language requiring the Department to review all existing and proposed capital improvement projects over \$500,000 for inclusion in an energy savings performance contract. Senate did not include. Conference concurred with House. (Sec. 815)
10. **Prohibition against use of State Funds for International Bridge.** Prohibits the use of any funds from Part 1 to be used for any staff efforts, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the DRIC or any successor project. Governor: removed language. Senate: Moved to General Section 226a. House: Retained as in current law. Conference: Concurred with House. (Sec. 822e)
11. **Juvenile Justice Vision 20/20.** Senate added language allocating \$1.35 million for the Juvenile Justice Vision 20/20 program for the Dept. to implement a database to track statistical and demographic data on adjudicated juveniles. House did not include. Conference concurred with House.
12. **Online Citizens Guide and Dashboard.** Senate added language requiring the Dept. to issue an RFP and contract for a publicly accessible statewide online citizens guide to reports on municipalities, local, and intermediate school districts. House did not include. Conference concurred with Senate. (Sec. 840)
13. **Wayland Public Safety Building.** House added language requiring the Department to provide assistance to the Department of State Police regarding discussions with the city of Wayland on a joint public safety building to be located in Wayland. Senate did not include. Conference concurred with House. (Sec. 822g)
14. **Grand Rapids Crime Lab.** House added new language requiring the Department to work with the State Police to review and evaluate the feasibility of repurposing the one division building in Grand Rapids for a new State Police Crime Lab. Also requires a report to the Legislature by January 1, 2015, on the results of that review. Senate did not include. Conference concurred with House. (Sec. 822h)
15. **Senate Relocation from Farnum Building.** Conference added new language allowing 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. (Sec. 896)

Date Completed: 6-11-14

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FY 2013-14 Year-to-Date Gross Appropriation	\$154,202,500
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Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

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|---|-------------|
| <p>1. Great Lakes Water Quality Bond. The Governor included a negative adjustment of \$7.3 million in debt service payments for the Great Lakes Water Quality Bond. In addition, the Governor also included new debt service payments totaling \$6.5 million GF/GP bringing the total debt service payment for this bond to \$13,811,000 (all GF/GP) in FY 2014-15. The overall change in payments for this bond decreases by \$2.1 Million from FY 2013-14. The proposed debt service payments for this bond would cover debt service on existing bonds and the additional costs of a proposed \$97.0 million bond issue. There is \$97.0 million in spending authority in the FY 2014-15 DEQ Executive Recommendation for these bonds under the Strategic Water Quality Initiative Fund (SWQIF) within DEQ. The bonds are issued under Proposal 2 of 2002 and can be spent on grants and loans to municipalities for groundwater and storm water management. The increases are due to changes in the statute that establishes the SWQIF that makes the grants and loans more attractive to municipalities. The Senate concurred.</p> | (2,105,600) |
| <p>2. Clean Michigan Initiative. The Governor recommended an increase in debt service of \$36,600 to \$57,224,000 GF/GP in FY 2014-15 to cover the cost of scheduled payments. The Senate concurred.</p> | 36,600 |
| <p>3. Quality of Life Bond. The Governor recommended increasing the debt service line for this program to \$81,360,000 in FY 2014-15. This consists of an increase in scheduled payments of \$1.1 million GF/GP and an addition of \$3.0 million GF/GP in a fund shift that replaces \$3.0 million from the Refined Petroleum Fund. The Senate concurred.</p> | 1,394,200 |
| <p>4. Water Pollution Control Bond and Interest Redemption. The Governor eliminated all funding for this debt service in FY 2014-15 as all the obligations have been met. The Senate concurred.</p> | (1,132,700) |

Total Changes	(\$1,807,500)
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FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation	\$152,395,000
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Boilerplate Changes.** There are no boilerplate changes related to Treasury - Debt Service.

Date Completed: 6-11-14

Fiscal Analyst: Joe Carrasco, Jr.



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FY 2013-14 Year-to-Date Gross Appropriation \$498,233,500

Changes from FY 2013-14 Year-to-Date:

Items Included by the Senate and House

1. **Unclassified Salary Increase.** Governor included salary and wage increases for the unclassified salary line item totaling \$26,800. This represents the increase for salary and wages only. The remainder of the increase for this line item of \$47,500 is included in the Economic section below. The Senate concurred. 26,800
2. **Eliminate One-time Funding.** Gov. removed one-time funding totaling \$9.8 million: \$ 1.8 million for replacement of Sales and Withholding tax system; \$3.0 million for Casino Gaming Board system replacement; and \$5.0 million for Distressed Communities. Senate concurred. (9,763,300)
3. **Data Governance Program.** The Governor recommended new funding for the creation of a secure and accurate data storage system to improve data quality and availability primarily at the State's data storage warehouse. The Senate concurred. 401,000
4. **Gaming.** The Governor increased funding for three items: \$113,600 to hire an investigator to review illegal gaming activity; \$153,200 to fill two secretarial positions; and \$129,500 to hire a programmer to support new replacement systems. The Senate concurred. 396,300
5. **Convention Facility Tax Distribution.** The Governor recommended an increase in funding based on actual collections so additional funds may be distributed according to statute requirements. The Senate concurred. 16,100,000
6. **Office of Tax Plan Implementation.** The Governor recommended an increase of \$1.6 million and 9.0 FTEs for testing new tax systems. The Senate concurred. 1,550,000
7. **Program Transfers.** The Governor transferred \$699,100 and 4.0 FTEs from DTMB for SBA Rent administrative staff. The Senate concurred. 699,100
8. **Technical Issues Resolution Unit Expansion.** The Governor provided increased funding to hire additional staff to address changes in tax statutes that impact compliance reviews. The Senate concurred. 600,000
9. **Economic Adjustments.** Includes (\$595,800) Gross and (\$109,800) GF/GP for OPEB and \$5,538,000 Gross and \$873,300 GF/GP for other economic adjustments. Senate concurred. 4,942,200
10. **Other Changes.** Miscellaneous adjustments were made to various line items, including: a net zero Gross change to replace funding from the Michigan Transportation Fund, however change results in a positive adjustment to GF/GP funding of \$41,900 and \$623,000 in various miscellaneous technical adjustments for a New Fuel Tax processing center, Indian Gaming, and P-20 software purchase. The Senate concurred. 623,000

Conference Agreement on Items of Difference

11. **Financial Independence Team.** The Governor recommended \$6.5 million and 9.0 FTEs to create a financial independence team to provide support to financially troubled school districts. Senate reduced funding by \$2.0 million to \$4.5 million. House included as \$100 placeholder. Conference concurred with Senate. 4,500,000
12. **Payments in Lieu of Taxes (PILT).** The Governor increased PILT funding by 5.0% to provide full funding for PILT in compliance with 2012 PA 603 and 2012 PA 604. The Senate added additional funding of \$2,960,400 to fully fund the line items for FY 2014-15. House did not include. Conference concurred with Senate. 3,827,800
13. **One-Time Appropriations.** Conference included the following one-time funding: \$19.3 million for distribution of Metropolitan Areas Component Tax revenue; \$1.5 million for Personal Property Tax Reform implementation; and \$500,000 million for implementation costs associated with the Department accepting credit card payments for individual income taxes owed; \$1.1 million for City of Flint Police and Fire Safety grants. 22,400,000

Total Changes \$46,302,900

FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation \$544,536,400

Amount Over/(Under) GF/GP Target: \$0

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

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Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Line Item Structure.** The Governor separated the General Governments departments into separate articles within his proposed budget. The budget for the Department of Treasury is in Article 20. Senate retained current law format for FY 2014-15.
2. **Boilerplate Structure.** The Governor moved boilerplate from the FY 2012-13 general sections that applied to all General Government budgets to the Article for the Department of Treasury. The Senate retained these sections in the general section of the bill. These sections include:
 - Report on total State spending for the Department. (Sec. 20-201)
 - Compliance with the Management and Budget Act. (Sec. 20-202)
 - Definitions. (Sec. 20-203)
 - Use of the Internet for reporting requirements. (Sec. 20-208)
 - Buy American with a Michigan preference. (Sec. 20-209)
 - Report on out-of-state travel. (Sec. 20-216)
 - Prohibition on outside legal services. (Sec. 20-226)
 - Restricted Revenue Report. (Sec. 20-227)
 - GF/GP Lapse Report. (Sec. 20-228)
 - Requirement for Departments to maintain searchable websites. **Governor deleted the requirement for quarterly updates** (Sec. 20-229)
 - Department Scorecards. (Sec. 20-230)
3. **Prohibition Against Ownership Interest in a Casino Enterprise.** The Governor added new language prohibiting the Department, an agency, or an authority from using funds in Part 1 to purchase and ownership interest in a casino enterprise or a gambling operation. The Senate retained in the general section. (Sec. 213)
4. **Deleted Reports.** The Governor recommended deleting the following sections reports: bond restructuring (Sec. 902a), Municipal Finance Authority unappropriated revenue and spending (Sec. 934(2)), and pension consultant report (Sec. 944). Senate retained all of these reports.
5. **Convention Facility Development Fund.** Governor added new language requiring collections into the fund to be distributed according to Sections 8 and 9 of the State Convention Facility Development Act, 1985 PA 106. Senate concurred. (Sec. 20-946)
6. **Financial Independence Team.** Senate added language creating a financial independence team to cooperate with the Office of Fiscal Responsibility to coordinate and streamline efforts in identifying and addressing fiscal emergencies in local and intermediate school districts. (Sec. 947)
7. **Lottery Information for Retailers.** The Governor deleted a requirement for the Bureau of the State Lottery to inform retailers that cash on a Bridge Card cannot be used to purchase lottery tickets. Senate retained. (Sec. 963)
8. **State Building Authority.** Governor moved SBA boilerplate language from DTMB to Treasury in accordance with E.O. 2013-8 which transferred the SBA in its entirety to the Department of Treasury. Senate concurred. (Secs. 1101, 1102, 1103)

Conference Agreement on Items of Difference

9. **Legacy Costs.** Governor added new language listing the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimated of the amount of pension-related legacy costs. Senate retained as section 949. **Senate** concurred with Governor. **House** did not include. **Conference** concurred with Senate. (Sec. 949)
10. **City of Flint Police and Fire Safety Grants. Conference:** added new language allocating \$1.1 million to the City of Flint to support city police and firefighters. (Sec 949a)

Date Completed: 6-11-14

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FY 2013-14 Year-to-Date Gross Appropriation	\$1,136,903,600
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Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

- | | |
|---|------------|
| 1. Constitutional Revenue Sharing. The Governor recommended an increase of 2.6% to \$764,927,600 consistent with the growth in sales tax revenue forecast by the January 2014 Consensus Revenue Estimating Conference. The Senate and House concurred. Conference included \$758,272,400 or about \$76.96 per capita for each city, village, and township (CVT) based on the May 2014 consensus estimate of 2.4% growth. | 17,968,800 |
| 2. Supplemental EVIP Distribution. The Governor added \$28.5 million for an additional payment to most EVIP-eligible CVTs. The Senate and House did not include. | 0 |

Conference Agreement on Items of Difference

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|---|--------------|
| 3. County Revenue Sharing and County Incentive Program (CIP). The Governor recommended full funding for 74 eligible counties under the statutory county revenue sharing distribution formula, an increase of 44.9% to \$211,200,000. Each eligible county would receive 80% of its full funding amount through the county revenue sharing line item and up to 20% by meeting the requirements of the County Incentive Program. The Senate concurred in the total funding and reduced the funding subject to the transparency requirements from 20.0% to 10.0%. House concurred with Governor. Conference concurred with House. | 65,440,000 |
| 4. Economic Vitality Incentive Program (EVIP)/City, Village, and Township Revenue Sharing. The Governor added 3.1% to EVIP for eligible CVTs. The Senate provided a 1.0% increase to the 486 current EVIP-eligible CVTs and \$28.6 million distributed to 756 CVTs according to the statutory three-factor formula based on unit type, taxable value, and yield equalization. House provided that an eligible CVT would receive the higher of a 1% increase or \$7.14609 per capita with no payments under \$5,000 which would result in 1,492 recipients. Conference increased payments to current recipients by about 3.1% and added \$5.8 million for a distribution of about \$2.65 per capita to local units with a population over 7,500. That would add 101 CVTs as recipients for one-time payments based on a presumed level of services. Existing recipients with population over 7,500 would receive the greater of the two payments. | 13,000,000 |
| 5. Financially Distressed Cities, Villages, and Townships. The Senate added \$10.0 million for grants to assist CVTs that have signs of probable financial distress as determined by Treasury. House did not include. Conference funded at \$8.0 million, of which \$5.0 million is ongoing and \$3.0 million is one-time. | 8,000,000 |
| 6. Competitive Grant Assistance Program (CGAP). The Governor and House reduced CGAP from \$15.0 million in FY 2013-14 to \$5.0 million in FY 2014-15. A balance from FY 2013-14 is expected to carry forward for distribution in FY 2014-15. The Senate did not include. Conference concurred with Senate. | (15,000,000) |
| 7. FY 2014-15 One-Time Appropriations. One-time funding of \$8.8 million is included: \$5.8 million for CVT revenue sharing and \$3.0 million for financially distressed CVTs. | |

Total Changes	\$89,408,800
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FY 2014-15 Conference Report Ongoing/One-Time Gross Appropriation	\$1,226,312,400
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Incentive Program Optional Financial Standards.** The Governor proposed that CVTs and counties could qualify for EVIP or the county incentive program by certifying compliance with optional financial stability standards. The Senate and House did not include. (Sec. 20-952)
2. **EVIP Supplemental Payment Eligibility.** The Governor proposed a new distribution to EVIP-eligible CVTs. It would be made on an adjusted per capita basis, with population figures increased by 10.0% for each criteria met by a local unit in the areas of financial stability, high unemployment, high crime rate, or the presence of a deficit elimination plan. The Senate and House did not include. (Sec. 20-953)

Conference Agreement on Items of Difference

3. **Competitive Grant Assistance Program.** The Governor and House specified that the Department of Treasury may consider projects that result in more efficient government services through increased cooperation and/or collaboration. The Senate eliminated the program. Conference concurred with Senate. (Sec. 20-951)
4. **City, Village, and Township (CVT) Revenue Sharing.** The Senate provided that each CVT eligible for EVIP in FY 2013-14 would receive a 1.0% increase upon meeting accountability and transparency requirements. The remaining \$28.6 million in funds would be distributed according to the statutory revenue sharing formula components of adjusted unit type population, taxable value, and tax yield equalization. The House provided for CVTs to receive the higher of a 1% increase or \$7.14609 per capita, with no payment under \$5,000. Conference funded at 78.51044% of FY 2009-10 payments over \$4,500 (about a 3.1% increase), or, for CVTs with population over 7,500, the larger of \$2.64659 per capita or the 3.1% increase. New recipients in FY 2014-15 are considered "one-time" and are included based on the presumed level of services provided. (Sec. 952)
5. **Incentive Program/Revenue Sharing Requirements.** The Governor required a report of the cost per resident of unfunded accrued liabilities and limited the consolidation plan update requirement to plans in the most recent report. The Senate limited requirements to accountability and transparency, eliminated the other categories, and extended the date for compliance from October 1 to December 1. House retained transparency standards and required CVTs to use 5% of the payment to reduce unfunded liabilities. Conference concurred with Senate. (Sec. 952)
6. **Financially Distressed Cities, Villages, and Townships.** The Senate provided \$10.0 million for grants to CVTs with one or more indications of probable financial distress as determined by the Department of Treasury. Grants of up to \$2.0 million would be made for projects or services to move the CVT toward financial stability, such as reduction in unfunded accrued liabilities, repair of critical infrastructure owned and maintained by the CVT, reduction of general fund debt, or costs associated with a transition to shared services. Unused funds would carry forward. The Department would report to the Legislature by March 15 on the awardees, grant amounts, and purposes of the grants. House did not include. Conference concurred with Senate. (Sec. 956)
7. **Statewide Online Financial Accountability Reporting System.** The Senate required that the appropriations in part 1 be used for a contract for a statewide online financial accountability reporting system accessible to the general public that displays local government audit data submitted pursuant to MCL 141.424. The online reports would include for each local government financial distress indicators, revenues and expenditures, unfunded liabilities, statements of financial position, crime statistics, public safety information, shared services, revenue and spending per full-time equivalent employee, and other indicators as determined by the department. A report from the department to the Legislature on the project is required by March 15. House did not include. Conference included but removed the contract requirement and required that an RFP be issued. (Sec. 958)
8. **Local Reporting on Costs of Insurance for Medicare-Eligible Retirees.** The Senate added a statement of legislative intent that would require local governments that offer health insurance to retired employees or retired elected officials to solicit bids for obtaining health insurance for retirees separately from health insurance for current employees. It required a report of projected savings to Treasury, which would report the savings to the Legislature. House did not include. Conference concurred with House. (Sec. 959)

Date Completed: 6-11-14

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FY 2013-14 Year-to-Date Gross Appropriation	\$1,008,273,900
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Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

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| 1. Engineering Talent Investment Program Debt Service. Gov. recommended \$7.9 million GF/GP for the first year of debt service on a proposed \$100.0 million Michigan Strategic Fund (MSF) bond issue to fund improved facilities and laboratories for university engineering departments that partner with private companies to increase and retain engineering graduates. Senate did not include. | 0 |
| 2. Community College Skilled Trades Equipment Program Debt Service. Gov. recommended \$4.6 million GF/GP for the first year of debt service on a proposed \$50.0 million MSF bond issue to update technology at community colleges for training for high demand occupations. The MSF board would award the funds through an RFP-process. The Senate concurred. | 4,600,000 |
| 3. Job Creation Services. The Governor removed \$4,625,000 to remove several special projects included in the FY 2013-14 budget. The Senate concurred. | (4,625,000) |
| 4. Land Bank Fast Track Authority. The Governor recommended \$3,950,000 GF/GP for the Land Bank for operations and to maintain properties owned by the Land Bank. The Senate concurred. | 3,950,000 |
| 5. Pure Michigan. Gov. increased spending for tourism promotion from \$29.0 million in FY 2013-14 to \$31.0 million in FY 2014-15. The Senate concurred. Conference at current year. | 0 |
| 6. Entrepreneurial Eco-System. Gov. renamed the Innovation and Entrepreneurship line item to Entrepreneurial Eco-System and reduced funding from \$28.5 million to \$25.0 million. Senate concurred. House concurred with Senate. | (3,500,000) |
| 7. Welfare-to-Work. Senate reduced funding by \$14.0 million Gross, \$4.0 million GF/GP to adjust for decreased caseloads. | (14,000,000) |
| 8. Economic Adjustments. Includes a negative \$387,200 Gross and a negative \$77,100 GF/GP for OPEB and \$2,010,100 Gross and \$380,700 GF/GP for other economic adjustments. | 1,622,900 |
| 9. Other Changes. The Governor adjusted Federal and private fund sources. Sen. concurred. | (1,291,900) |

Conference Agreement on Items of Difference

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| 10. Automotive, Engineering, and Manufacturing Technology Fund. Gov. added \$5.0 million in one-time GF/GP to increase global markets for the Michigan auto sector and encourage public-private partnerships and collaborations with the auto industry. Senate and House did not include. Conference added as one-time | 2,000,000 |
| 11. Film Incentives. The Governor reduced funding for Film Incentives from \$50.0 million in FY 2013-14 to \$25.0 million in FY 2014-15. The fund source would change from one-time GF/GP in FY 2013-14 to ongoing GF/GP in FY 2014-15. Senate concurred with Gov. and added additional \$35.0 million for total funding of \$60.0 million for FY 2014-15. House retained \$25.0 million as one-time. Conference retained \$25 million ongoing and \$25 million one-time. | 0 |
| 12. Business Attraction and Community Revitalization. Gov. increased total funding for the program from \$120.0 million in FY 2013-14 to \$138.5 million in FY 2014-15. The increase consisted of \$10.0 million in new one-time GF/GP, \$5.0 million in additional ongoing GF/GP, and \$3.5 million from the 21 st Century Jobs Trust Fund. Gov. also replaced \$24.8 million in one-time GF/GP in FY 2013-14 with \$24.8 million in ongoing GF/GP in FY 2014-15. Senate reduced funding from FY 2013-14 by \$13.0 million to \$107.0 million and included the one-time \$10.0 million. House increased from Senate by \$499,900. Conference increased total funding by additional \$10 million; \$7.9 million as one-time. | 10,000,000 |
| 13. Arts and Cultural Grants. The Governor increased funding by \$2.0 million GF/GP to \$10,150,000. Senate concurred and further increased funding by additional \$1.5 million to \$11,650,000. | 2,000,000 |
| 14. Van Andel Institute Advanced Medical Research. The Senate added \$4.5 million for matching Federal and private funds to perform advanced medical research. House did not include. Conference included as one-time. | 4,500,000 |
| 15. Additional One-Time Funding. Conference added the following additional one-time funding: \$1.0 million for Saginaw Air Museum; \$1.3 million for West Michigan Airport grant; \$1.5 million for Grand Rapids Market; \$700,000 for First Merit Bank Park; \$200,000 for Capac Senior Center; \$150,000 for Waterford Fire Dept.; \$300,000 Detroit Pre-College Engineering; \$1.5 million for Year-round Schools; \$500,000 for GED testing; \$2.0 million for Fallen Officers Memorial; \$600,000 for Heritage Restoration; and \$1.5 million for Yankee Air Museum. | 11,250,000 |

Total Changes	\$16,506,000
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FY 2014-15 Senate-Passed Gross Appropriation	\$1,024,779,900
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Amount Over/(Under) GF/GP Target: \$0

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

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Changes from FY 2013-14 Year-to-Date:Items Included by the Senate and House

1. **Business Incubators.** Governor removed performance dashboard and report requirements for State-funded business incubators and intent language on using the performance data for future appropriations. Senate retained. (Sec. 1034)
2. **Michigan State Housing Development Authority Reports (MSHDA).** The Governor deleted MSDHA reporting on housing production goals and results and on the status of obligations related to the Broadband Development Authority. The Senate retained. (Sec. 980 and 981)
3. **Use of State Accounting System.** The Governor deleted a requirement that the MSF use the Michigan Administrative Information Network (MAIN) or a successor accounting system used across State government that tracks all financial transactions and recipients of business incentives and other economic assistance. The Senate retained. (Sec. 1040)
4. **Limit on Business Attraction and Community Revitalization.** The Governor deleted a requirement for business attraction and community revitalization that the MSF cannot request the availability of more than 60.0% of those funds from the State Treasurer prior to April 1, 2014. The Senate retained. (Sec. 1041)
5. **Engineering Talent Investment Program.** Gov. added language for this proposed program to require: MSF board approval of RFPs and program guidelines, the MSF board to award up to \$100.0 million of bond proceeds for capital improvements at public institutions of higher education with accredited engineering programs to increase engineering talent, a 25.0% university match, business partnerships, reports, and State Budget Director oversight. The Senate deleted. (Sec. 20-1051)
6. **Jobs for Michigan Investment Report.** Senate added a requirement for a report on the Jobs for Michigan Investment Fund. Report shall include a detailed listing of all revenue, expenditures, and fund balance at the end of the fiscal year. (Sec. 1010)
7. **Business Attraction Report.** Senate added a requirement for a quarterly report from the Fund listing the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. (Sec. 1042)

Conference Agreement on Items of Difference

8. **Housing Rehabilitation Workforce.** Senate added requirement for MSHDA to work with the Departments of Community Health and Human Services to appoint members to a joint task force to review housing rehabilitation. **House** did not include. **Conference** concurred with Senate. (Sec. 990)
9. **Legacy Costs.** The Governor reported estimated appropriations of \$10,508,300 for pension-related legacy costs and \$8,293,000 for retiree health care legacy costs. Senate concurred. **Senate** concurred with Governor. **House** did not include. **Conference** concurred with Senate. (Sec. 1045)
10. **Van Andel Institute.** The Governor deleted a \$500,000 earmark for the Van Andel Institute from the Innovation and Entrepreneurship line item. The funds were for matching Federal grants. **Senate and House** retained. **Conference** did not include. (Sec. 1034b)
11. **Van Andel Institute Advanced Medical Research.** Senate appropriated \$4.5 million for matching Federal and Private funds to perform advanced medical research. **House** did not include. **Conference** concurred with House. (Sec. 1034c)
12. **Macomb-Oakland University INCubator.** House appropriated \$500,000 from the entrepreneurship eco-system line item in Part 1 to the Macomb-Oakland University INCubator. **Senate** did not include. **Conference** concurred with Senate.
13. **West Michigan Film Office.** House added new language requiring not less than 10% of the funding for film incentives be granted to the west Michigan film office. **Senate** did not include. **Conference** included revised language stating that not less than \$250,000 of the funds be appropriated rather than the 10% in the House language.
14. **Pure Michigan Sponsorship and Advertising.** House added requirement that up to \$2.0 million of funding for Pure Michigan must allocated for sponsorship or advertising at an annual, nationally televised sporting event located in Michigan. **Senate** did not include. **Conference** concurred with Senate.
15. **Community Colleges Skilled Trades Equipment Program.** The Governor added requirements for this proposed program: MSF board approval of RFPs and program guidelines; the MSF board to award of up to \$50.0 million of bond proceeds for equipment and related investments at community colleges for training students in skilled, high-wage, in demand occupations; coordination with business and regional talent needs; at least 25.0% community college match in excess of donated equipment; business partnerships; reports; and State Budget Director oversight. **Senate** concurred. **House** modified language. **Conference** concurred with House. (Sec. 1052)
16. **Aerospace Supplier Program.** Senate added language allowing the allocation of funds for the Aerospace Supplier Program to assist aerospace suppliers. **House** did not include. **Conference** concurred with Senate. (Sec. 1057)
17. **Low-Income Transportation Workgroup.** **Conference** added language requiring the Fund to work in conjunction with the DCH, MDOT, MDOC, DHS, and members from the House and Senate to determine how the State can maximize its services and funding for transportation for low-income, elderly, and disabled individuals. (Sec. 1058)
18. **Workforce Development Workgroup.** Senate added requirement for the Department to conduct a workgroup with the Dept. of Human Services and members from the Senate and House of Representatives to determine the alignment of State fund expenditures with declining caseloads. **House** did not include. **Conference** concurred with Senate. (Sec 1070)

Date Completed: 6-11-14

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