



ANALYSIS

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Senate Bill 772 (as introduced) Committee: Appropriations Vehicle for Governor's Recommendation line items is Senate Bill 837

FY 2013-14 Year-to-Date Gross Appropriation	\$502,918,700
Changes from FY 2013-14 Year-to-Date:	
 Self-Insurers Tax Credit Replacement. The Governor included GF/GP to replace a former tax credit for workers comp. self-insurers under the MBT. 	1,000,000
 Healthy Michigan Plan Administrative Hearings. The Governor included 6.0 FTEs, Federal, and GF/GP funding for an anticipated increase in administrative hearings under the Healthy Michigan Plan. 	900,000
3. Department-Wide Process Improvements. The Governor included GF/GP funding for an initiative to improve customer service and administrative efficiencies.	700,000
 Health Systems Survey and Certification. The Governor included additional Federal funds to reflect expected Federal reimbursements for this program in FY 2014-15. 	700,000
 Bureau of Construction Codes. The Governor included additional restricted funding to pay for online database development and permitting of demolitions in Detroit. 	1,066,300
 Property Management. The Governor included restored Federal funds to reflect UIA maintaining offices in the One Division building in Grand Rapids. This authority had been removed in the FY 2013-14 budget in anticipation of moving out of this building; however, that move will not happen for at least another year. 	1,275,000
 Increase Elevator Inspections. The Governor included restricted funding and 2.0 FTEs for an anticipated increase in elevator inspections. This increase would also fund improvements to the permitting and inspection IT system. 	700,000
8. Special Project Advances. The Governor included additional private appropriation authority for training seminars held for long-term care providers and surveyors. Admission fees for these seminars support this line.	300,000
9. One-Time Unemployment Insurance Agency Operations. The Governor included additional restricted funds for UIA operations for FY 2014-15. This change is requested due to a significant reduction in the UIA's Federal administration block grant. The UIA is implementing process improvement efforts to allow it to operate within the level of that block grant by the end of FY 2014-15.	18,000,000
 One-Time UIA Mobile Claim Filing Application. The Governor included restricted funds for the development of a mobile application for UI claim filing. The application would allow residents to file UI claims remotely. 	2,400,000
11. Economic Adjustments. Includes a negative \$1,921,100 Gross and a negative \$118,000 GF/GP for OPEB and \$6,048,500 Gross and \$137,200 GF/GP for other economic adjustments.	4,127,400
12. Other Changes. Other changes include technical revenue adjustments in a number of line-items. These changes primarily reflect changes in restricted and Federal fund authorizations to reflect expected levels of revenue, and the removal of an FY 2013-14 one-time appropriation.	(2,226,600)
Total Changes	\$28,942,100
FY 2014-15 Governor's Recommendation	\$531,860,800

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

- 1. Report Retention. The Governor removed language requiring that report retention guidelines be followed. (Sec. 212)
- 2. **Communication with the Legislature.** The Governor removed a prohibition on taking disciplinary action against employees who communicate with the Legislature. (Sec. 215)
- 3. Office Space Report. The Governor removed a report on the utilization of office space. (Sec. 219)
- 4. **Legal Services.** The Governor removed a prohibition on hiring legal services that are the responsibility of the Attorney General. (Sec. 221)
- 5. **Private Grant Notification.** The Governor removed a section requiring notification of the Legislature upon receipt of a private grant. (Sec. 225)
- 6. **Radio and Television Productions.** The Governor removed a section prohibiting the Department from producing any TV or radio productions. (Sec. 232)
- 7. **No RFPs before RFIs.** The Governor removed a section requiring a request for information or request for qualification before issuing request for proposals on projects exceeding \$5.0 million. (Sec. 238)
- 8. **Legacy Costs in Budget.** The Governor included a new section detailing legacy costs that are included as part of the FY 2014-15 LARA budget. (Sec. 13-235)
- 9. FTEs as Spending Placeholders. The Governor removed a section prohibiting the use of FTEs as spending placeholders. The section also required a report on the number of FTEs in the Department. (Sec. 240)
- 10. Prefund OPEB. The Governor removed a statement of intent that OPEB costs continue to be prefunded. (Sec. 250)
- 11. Fireworks Safety Grants. The Governor removed guidelines for fireworks safety grants. (Sec. 305)
- 12. **UIA Integrated System Project Report.** The Governor removed a section requiring quarterly status reports on this IT project. (Sec. 332)
- 13. **MARVIN Usage.** The Governor removed a section requiring a report on usage of the UIA's MARVIN system and establishing a goal of 80% usage of the Internet MARVIN system. (Sec. 333)
- 14. **Rule Stringency.** The Governor removed a section prohibiting the promulgation of rules more stringent than Federal standards. (Sec. 341)
- 15. **Licensing and Regulatory Program Report.** The Governor removed a section requiring a detailed activity report on most of the Department's programs. (Sec. 368)
- 16. **Securities Fees Carryforward.** The Governor removed a section allowing the Department to carry-forward unexpended securities fees. (Sec. 375)
- 17. **Homeowner Construction Lien Fund Appropriation.** The Governor removed a section appropriating the remaining balance in this fund. (Sec. 380)
- 18. Tax Tribunal Report. The Governor removed a report on the activities of the Tax Tribunal. (Sec. 390)
- 19. **BSBP Matching Funds.** The Governor removed a requirement that the Bureau of Services for Blind Persons work collaboratively to maximize available Federal matching dollars. (Sec. 611)
- 20. **Nursing Facility Complaint Report.** The Governor removed a report on the number of complaints, investigations, and frequently-cited deficiencies at nursing facilities. (Sec. 714)
- 21. **Medical Marihuana Program Report.** The Governor removed a report containing various metrics related to the Medical Marihuana Program. (Sec. 726[1])
- 22. Bureau of Health Care Services. The Governor removed a report on facilities regulated by the Bureau. (Sec. 731)
- 23. Freestanding Surgical Outpatient Facilities. The Governor removed the earmark of \$530,000 for the inspection and licensing of these facilities. (Sec. 732)

Date Completed: 2-12-14 Fiscal Analyst: Josh Sefton