



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

# BILL ANALYSIS



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Senate Bill 125 (as introduced)  
 Committee: Appropriations

[Vehicle for Governor's Recommendation line items is Senate Bill 133](#)

| FULL-TIME EQUATED (FTE) CLASSIFIED<br>POSITIONS/FUNDING SOURCE | FY 2014-15<br>YEAR-TO-DATE | FY 2015-16<br>GOV.'S REC. | CHANGES FROM<br>FY 2014-15 YEAR-TO-DATE |              |
|--|----------------------------|---------------------------|---|--------------|
|  |                            |                           | AMOUNT                                  | PERCENT      |
| FTE Positions.....   | 337.0                      | 337.0                     | 0.0                                     | 0.0          |
| <b>GROSS .....</b>   | <b>65,189,700</b>          | <b>65,057,700</b>         | <b>(132,000)</b>                        | <b>(0.2)</b> |
| Less:  |                            |                           |   |              |
| Interdepartmental Grants Received .....                        | 707,600                    | 707,600                   | 0                                       | 0.0          |
| <b>ADJUSTED GROSS.....</b>                                     | <b>64,482,100</b>          | <b>64,350,100</b>         | <b>(132,000)</b>                        | <b>(0.2)</b> |
| Less:  |                            |                           |   |              |
| Federal Funds.....   | 2,000,000                  | 2,000,000                 | 0                                       | 0.0          |
| Local and Private .....  | 0                          | 0                         | 0                                       | 0.0          |
| <b>TOTAL STATE SPENDING.....</b>                               | <b>62,482,100</b>          | <b>62,350,100</b>         | <b>(132,000)</b>                        | <b>(0.2)</b> |
| Less:  |                            |                           |   |              |
| Other State Restricted Funds.....                              | 62,427,100                 | 62,200,100                | (227,000)                               | (0.4)        |
| <b>GENERAL FUND/GENERAL PURPOSE.....</b>                       | <b>55,000</b>              | <b>150,000</b>            | <b>95,000</b>                           | <b>172.7</b> |
| <b>PAYMENTS TO LOCALS .....</b>                                | <b>0</b>                   | <b>0</b>                  | <b>0</b>                                | <b>0.0</b>   |

|  |                     |
|--|---------------------|
| <b>FY 2014-15 Year-to-Date Gross Appropriation .....</b> | <b>\$65,189,700</b> |
|--|---------------------|

## Changes from FY 2014-15 Year-to-Date:

- 1. Healthy Michigan Plan Reporting.** The Governor included \$150,000 GF/GP for the executive director program to administer reporting requirements under Medicaid expansion regarding evidence on rate changes. In FY 2014-15, \$55,000 GF/GP was appropriated to this program to create a baseline report. According to the Department, the cost of this program going forward has increased as more in-depth analysis is required in reports subsequent to the baseline report. 95,000
- 2. Michigan Business One Stop (MBOS) Reduction.** The Governor reduced IT funding due to decreased costs. The Department previously paid for MBOS portal services for online license applications. Since the Department started issuing licenses directly from its own website, this service was no longer needed. (78,500)
- 3. Economic Adjustments.** Includes a negative \$446,100 Gross and \$0 GF/GP for OPEB and \$297,600 Gross and \$0 GF/GP for other economic adjustments. (148,500)

|                            |                  |
|----------------------------|------------------|
| <b>Total Changes .....</b> | <b>(132,000)</b> |
|----------------------------|------------------|

|   |                   |
|---|-------------------|
| <b>FY 2015-16 Governor's Recommendation .....</b> | <b>65,057,700</b> |
|---|-------------------|

The changes show the differences between the schedule of programs proposed by the Governor and the prior-year line items.

## Boilerplate Changes from FY 2014-15 Year-to-Date:



1. **Benchmarks and Performance Measurement.** The Governor deleted a requirement for the Department to measure performance relating to expenditures for programs over \$0.5 million, and report on proposed benchmarks. (Sec. 205)
2. **Record Retention.** The Governor deleted a requirement regarding retaining copies of reports in compliance with Federal and State guidelines for short-term and long-term record retention. (Sec. 212)
3. **Disciplinary Action.** The Governor deleted a prohibition against the Department taking disciplinary action against an employee for communicating with a member of the Legislature or legislative staff. (Sec. 215)
4. **Office Space Reporting.** The Governor deleted a requirement that the Department submit a report regarding the amount of office space square footage paid for and actually used by the department. (Sec. 219)
5. **Television and Radio Productions.** The Governor deleted a prohibition against the Department developing or producing any television or radio productions. (Sec. 232)
6. **Full-time Equated Positions: Spending and Reporting.** The Governor deleted a section which stated that it is the Legislature's intent that: 1) appropriations are properly accounted for, and 2) that full-time equated positions are not to be used as placeholders for spending in other parts of budgets. The section also required an annual report to the Legislature that details full-time equated position data. (Sec. 240)
7. **Economic Development Report.** The Governor deleted requirement for the Department to submit a report to the Legislature indicating funds spent and full-time positions used, and a plan for ongoing and future efforts, regarding support of economic development of the insurance or financial industries. (Sec. 310)
8. **Autism Coverage Fund.** The Governor deleted reporting requirements regarding Autism Coverage Fund reimbursements to carriers for autism diagnosis and treatment. (Sec. 802)

Date Completed: 2-18-15

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