

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



BILL ANALYSIS

Telephone: (517) 373-2768  
 Fax: (517) 373-1986  
 TDD: (517) 373-0543

Senate Bill 232 (S-1 as passed by the Senate)

Committee: Appropriations

<b>FY 2000-01 Year-to-Date Gross Appropriation</b> .....	<b>\$169,082,800</b>
<b>Changes from FY 2000-01 Year-to-Date:</b>	
1. <b>Community Development Block Grants.</b> The Governor recommends a Federal and GF/GP increase for this Federal grant program. The Senate concurs.	10,400,000
2. <b>Travel Michigan/Promotion Program.</b> The Governor recommends a GF/GP increase to cover the increased costs for advertising in Chicago, Appleton/Green Bay, Indianapolis, and Cleveland. The Senate concurs.	500,000
3. <b>Michigan Certified Development Corporation Fees.</b> The Governor recommends an increase in private funds to more accurately reflect the fees collected for this program. This corporation has been certified to administer the Federal Small Business Administration 504 Loan Program for the State of Michigan. The Senate concurs.	193,300
4. <b>Budgetary Savings.</b> The Governor recommends a 0.5% GF/GP reduction to the overall budget. The Senate applied these savings to specific line items.	(333,400)
5. <b>Economic Adjustments.</b>	363,300
6. <b>Comparison to Governor's Recommendation.</b> The Senate is at the Governor's recommended funding level for Gross and GF/GP.	
Total Changes .....	11,123,200
<b>FY 2001-02 Senate Gross Appropriation</b> .....	<b>\$180,206,000</b>

**Changes from FY 2000-01 Year-to-Date:**

1. **General Sections.** The Governor recommends the deletion of the following sections: Privatization, Purchase of Foreign Goods, Deprived and Depressed, Notification of Grants, Affirmative Action. The Senate reinstates all sections except privatization. (Sections 207, 209, 210, 211, and 212)
2. **Report Retention.** The Senate adds new language to require receipt and retention by the Department of all reports funded under this act. (Sec. 213)
3. **Economic Development Job Training Grants.** The Governor recommends deleting the subsection stating that grant funds shall be expended on a cost reimbursement basis. The Senate retained this language and changed recruitment amount from \$1.0 million to \$500,000. (Sec. 401)
4. **Promotion Funding for Northeast Side and Cultural Tourism.** The Governor recommends deleting language designating \$200,000 of Promotion funding be used to promote tourism in the northeast region of the State and requiring 25% of the total funding for Promotion be used to promote cultural tourism activities in the State. The Senate retained the current year language. (Sec. 405)
5. **Life Sciences.** The Governor recommends increasing the amount for administration from 1% to 5%. The Governor also recommends adding language: 1) Allowing the committee members to designate alternative members; 2) Requiring that any funding received from grant recipients that is equal to the amount of the award be deposited in the Health and Aging Research Fund and any funding received that is in excess of the original award amount be deposited in the Michigan Strategic Fund and shall not lapse to the General Fund. The Senate concurred with the Governor's Recommendation on all but the excess revenue which it proposes be deposited into the Commercialization Fund. (Sec. 409)
6. **Core Communities Fund.** The Governor recommends adding new language allowing the Fund to receive and expend any revenue resulting from the repayment of loans made from the Fund. The Senate concurred and added language requiring an annual status report on the Fund. (Sec. 414)
7. **Community Development Block Grants.** The Governor recommends adding new language allowing the Fund to receive and expend any additional Federal funds that are available for this program above those appropriated in part 1, and to allow the Fund to carry-forward into the succeeding fiscal year any unexpended funds appropriated for this purpose. The Senate did not include this language.
8. **Ethnic Festivals and Events.** The Senate added language that requires Travel Michigan to coordinate with Michigan-based ethnic destination marketing organizations to promote ethnic festivals and events in Michigan target markets. (Sec. 416)

Date Completed: 03/29/01

Fiscal Analyst: M. Tyszkiewicz