

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

SFA



BILL ANALYSIS

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

House Bill 5644 (S-1 as reported)

Committee: Appropriations

FY 2001-02 Year-to-Date Gross Appropriation	\$557,480,400
--	----------------------

Changes from FY 2001-02 Year-to-Date:

- | | |
|---|-------------|
| 1. Section 8 Housing Vouchers. The Governor, House, and Senate recommend incorporating increased Federal funds that will serve approximately 1,500 additional clients. | \$6,000,000 |
| 2. Financially Troubled Insurers. The Governor, House, and Senate recommend additional expenditure authority from insurance regulatory fees to hire consultants to monitor financially troubled insurers. | 1,500,000 |
| 3. Triennial Financial Examination. The Governor, House, and Senate include additional expenditure authority from Consumer Finance Fees to contract with compliance and auditing firms to ensure that mortgage brokers, consumer lenders, and registered investment advisors are examined every three years. | 1,000,000 |
| 4. Bureau of Worker's and Unemployment Compensation. The Governor reduces training programs for agency staff by \$1,028,500 and the Advocacy Assistance Program by \$57,500. The House and Senate concur. | (1,071,800) |
| 5. Elevator and Boiler Inspectors. The Governor recommends 3.0 FTE additional elevator inspectors, 6.0 additional boiler inspectors and the purchase of handheld computers. The House and Senate concur. | 998,600 |
| 6. New Fire Safety Office. The Governor, House, and Senate recommend a new office in southeast Michigan. | 287,700 |
| 8. Program Reduction to Fund Economic Adjustments. The Governor, House, and Senate reduce 11.0 FTEs to fund economic adjustments. | (970,900) |
| 9. Nursing Scholarships. The Governor, House, and Senate increase funds available for nurse education and scholarship programs from the Nurses Professional Fund to a level of \$700,000. | 248,000 |
| 10. Nursing Study. The Senate adds \$125,000 for a study to address nurse workforce planning, recruitment, and retention issues. | 125,000 |
| 11. Security Guard Regulation. The Senate transferred the Licensing and Regulation responsibilities for security guards, railroad police, and private investigators from State Police. This transfer includes 6.0 FTEs and licensing revenue to support the division. | 450,000 |
| 12. Economic Adjustments. | 5,150,600 |
| 13. Other Issues. The payments related to the 1997 early retirement are discontinued (\$1,180,600), the line for unclassified salaries would increase by 2.0% or \$112,400, \$150,000 is transferred to the Department of History, Arts and Libraries, fund source adjustments were made, and a \$100 placeholder for early retirement savings is added. | (484,600) |
| 14. Comparison to Governor's Recommendation. The Senate is over the Governor's Recommendation by \$575,000 Gross. No change in GF/GP. | |

Total Changes	\$13,232,600
---------------------	--------------

FY 2002-03 Senate Appropriations Committee Gross Appropriation	\$570,713,000
---	----------------------

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



Changes from FY 2001-02 Year to Date:

1. **General Sections.** The Governor recommends deletion of language on privatization, buy American, deprived and depressed communities, grant notification, affirmative action and retention of records. The House and Senate retain current law except deletes grant notification.
2. **Information Technology.** The Governor, House, and Senate require CIS to pay user fees to the Department of Information Technology (DIT) for technology services. (Sec. 259)
3. **Early Retirement.** The Governor and Senate require the State Budget Director to submit legislative transfers by November 15, 2002 to assign early retirement savings to affected line items. (Sec. 261)
4. **Utility Consumer Representation.** The Governor deletes a requirement to air public service announcements to publicize the availability and purpose of funds for utility consumer representation. The House and Senate retain the requirement. (Sec. 322)
5. **One-Stop Centers.** The Governor deletes and the House and Senate retain a requirement for the Unemployment Agency to work with the Department of Career Development to ensure that each one-stop center can assist individuals or respond to inquiries regarding unemployment benefits and the remote initial claims system. (Sec. 324)
6. **Inspectors.** The Governor deletes the requirements that CIS shall have 30 general industry safety inspectors, 20 construction industry safety inspectors, and 26 industrial hygienists. The House and Senate require that there be a total of 76 inspectors for the three areas and revises report dates. (Sec. 326)
7. **Nurse Scholarship Program.** The Governor deletes and the House and Senate retain a requirement that CIS focus its promotional efforts on recruiting undergraduate students into the nursing field. (Sec. 329)
8. **Remote Initial Claims Center.** The Governor deletes and the House and Senate retain a requirement that the automated application system for unemployment benefits contain an option to speak with an employee. (Sec. 330)
9. **Day Care Inspectors.** The Governor deletes a requirement that CIS maintain a day care facility to day care inspector ratio of no more than 210 to 1. The House and Senate revise the language to direct the Department to "make every effort" to achieve the 210 to 1 ratio. (Sec. 334)
10. **Low Income and Energy Efficiency Assistance Program.** The Governor deletes references to distribution requirements and a report. The House and Senate require the report and specifies allocation of \$3,000,000 to community action groups by Nov. 1 of each year for shut-off protection programs. The Senate also added a \$15,000,000 allocation to pay utility arrearages for Work First participants. (Sec. 335)
11. **Compliance Review Team Pilot Project.** The House requires CIS to work with the Family Independence Agency and the Michigan Federation of Private Child and Family Agencies to form a licensing and contract compliance review team pilot project that would conduct joint review of a child placing agency and a child caring institution during FY 2002-03. The Senate concurs with the House. (Sec. 337)
12. **Insurance Fee Revenue.** The Governor and the House recommend deleting an annual report of expenditures from insurance regulatory fees to support the Office of Financial and Insurance Services (OFIS). The House and Senate add a report of the actual expenditures for each division in OFIS. (Sec. 336)
13. **Nursing Study.** The Senate allocates funds for a study of nurse supply and demand, workforce planning, recruitment and retention issues, and ways to address the shortage of nurses. (Sec. 338)
14. **Mediator Positions.** The Senate added language requiring the Department to provide funding for mediator positions in the Bureau of Workers' and Unemployment Compensation. (Sec. 339)

Date Completed: 5-08-02

Fiscal Analyst: Maria Tyszkiewicz

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