



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5809 (S-1 as passed by the Senate)

Committee: Appropriations

FY 2007-08 Year-to-Date Gross Appropriation	\$1,301,650,700
Changes from FY 2007-08 Year-to-Date:	
1. No Worker Left Behind. The Governor increased by \$40.0 million GF/GP in the line for Workforce Training Programs Subgrantees to provide free tuition for job retraining. A revised recommendation increased Federal Workforce Investment Act (WIA) by \$44.0 million. House concurred with original Governor. Senate included \$44.0 million increase in WIA only.	44,000,000
2. Michigan Nursing Corps. Governor increased the funding for preparing nurse faculty from \$1.5 million in FY 2007-08 to \$10.0 million in FY 2008-09. House concurred. Senate reduced by (\$1,000,000).	(1,000,000)
3. Michigan Housing and Community Development Fund. The Governor and House maintained current year funding of \$2,163,400 GF/GP. The Senate increased to \$4.0 million funded by an additional \$836,600 GF/GP and \$1.0 million from the Liquor Purchase Revolving Fund.	1,836,600
4. Office of Financial and Insurance Regulation (OFIR). Governor expanded examinations and pre-licensure checks adding 53.0 FTEs. House concurred. Governor's revision would add 7.0 FTEs and \$781,500 in restricted funds to implement regulation under the recently passed mortgage loan officer and captive insurance company regulation. Senate concurred with the revised Governor.	7,185,400
5. Jobs, Education and Training (JET). The Governor reduced the IDG from Department of Human Services (DHS) by (\$4,467,600) and (36.0) FTEs to reflect actual client referrals from Welfare-to-Work to Michigan Rehabilitation Services. House concurred. Senate increased \$100.	(4,467,500)
6. Unemployment Administration Fund Shift. The revised Governor's recommendation transferred a total of \$9,357,700 of Contingent Fund Penalty and Interest payments from the lines of Workers Compensation Administration, Board of Magistrates, and Wage and Hour division to Unemployment Administration to pay interest on Federal loans needed to pay unemployment benefits, replacing it with \$9,357,700 GF/GP. Senate did not concur.	0
7. Workers Compensation Administration. Governor and House maintained current funding. Senate reduced by (\$400,000) and (5.0) FTEs.	(400,000)
8. Unemployment Programs. The Governor and House maintained current funding. The Senate reduced by (\$100).	(100)
9. Liquor Law Enforcement Grants. The Governor increased by \$500,000 from development district license revenue, increasing grants to \$6.6 million. House and Senate concurred.	500,000
10. State Office of Administrative Hearings and Rules. Governor increased by \$640,700 and 7.0 FTEs to accommodate caseload increases for DHS and \$382,500 for a data system rewrite. House concurred. The Senate concurred and added \$100 GF/GP for teacher tenure hearings.	1,023,300
11. Fire Protection Grants. The Governor and Senate maintained at current year level. The House increased these grants by \$1.0 million to \$11,910,500.	0
12. Centers for Independent Living. The Governor maintained to current year level. The House increased by \$500,000 GF/GP to \$3,579,700. Senate increased to \$3,243,000.	163,300
13. Michigan Occupational Safety and Health Administration (MIOSHA). The Governor and House maintained current funding. The Senate reduced by (\$11,000) to eliminate support for MIOSHA boards.	(11,000)
14. Economic Adjustments. The Governor, House, and Senate concurred.	1,875,900
15. Other Changes. Governor recommended various adjustments in Federal and restricted fund sources. The House and Senate concurred.	7,366,500
16. Comparison to Governor's Recommendation. The Senate is (\$57,268,800) Gross and (\$57,857,700) GF/GP under the Revised Governor.	
Total Changes.....	\$58,072,400
FY 2008-09 Senate-Passed Gross Appropriation	\$1,359,723,100

Changes from FY 2007-08 Year to Date:

1. **Boilerplate Changes.** House and Senate concurred in retaining the following sections which the Governor deleted: Identification of fund sources (Sec. 216), MSHDA housing production goals (Sec. 306), OFIR expenditure report (Sec. 336), copies of HMO filings to fiscal agencies (Sec. 340), report on WIA carryforward (Sec. 377(2)), and vocational rehabilitation facility match rate (Sec. 403). Governor and House deleted the following sections which the Senate retained: Report on policy changes (Sec. 215), limit on disciplinary action (Sec. 219), prohibit use of funds to disallow credit scoring in the setting of insurance premiums (Sec. 337), and an allocation to aggregate industry for training (Sec. 365). Governor, House, and Senate concurred in deleting intent language on MSHDA blight elimination allocations to Flint and Saginaw. (Sec. 370(2))
2. **Hiring Freeze.** House added language creating an exception for the Public Service Commission if the rewrite of P.A. 141 is enacted. Senate did not include. (Sec. 205)
3. **Continuous Improvement.** Governor, House, and Senate deleted continuous efficiency improvement report. Senate directed the Department to consider recommendations of the Commission on Governmental Efficiency. (Sec. 222)
4. **Professional Employer Organizations (PEO).** Senate added language to prohibit the use of funds to combine organizations within a PEO into a single account and required the rate determination be distributed to employers no later than December 31. (Sec. 319)
5. **Commission for the Blind.** Governor recommended restoring carry-forward authority for local and private funds received by the Commission. House and Senate concurred. (Sec. 326)
6. **No-Worker-Left-Behind.** House added new language to distribute \$40.0 million as follows: \$30.0 million direct training to local boards (distribution to libraries allowed); \$5.0 million for adult basic education; \$5.0 million for increased capacity at community colleges; \$100,000 data system on available training for occupations demanded by Michigan employers. Required a report, created a work project and included intent language to assist the Lewis College of Business in participating in this program. Senate specified that at least \$70.0 million shall be allocated to the No Worker Left Behind program. Funding could be allocated for training, adult basic education, capacity building at community colleges, and an information system on available training for high demand occupations. (Sec. 342(a))
7. **Ergonomics.** Governor and House deleted limits on developing ergonomics guidelines. The Senate prohibited use of appropriated funds to support MIOSHA commissions. (Sec. 355)
8. **Low Income Energy Efficiency Grants.** Governor deleted the award schedule for Low Income Energy Efficiency Fund (LIEEF) grants. House maintained current year language and revised report date. Senate concurred. (Sec. 375)
9. **SOAHR Decision Posting.** Senate added intent language that decisions and orders for Medicaid, cash, emergency and food assistance are posted on the Internet. (Sec. 378)
10. **Centers for Independent Living.** Governor changed language to allow use of funds for the development of new centers. House permitted use of only the additional \$500,000 for the development of new centers. Senate specified that funds may be used by existing sites to serve underserved areas. (Sec. 404)
11. **Local Workforce Development Boards.** House allowed the Board to add to the Education Advisory Group representatives of organizations providing entrepreneurship and financial literacy curriculum and youth programs. Senate concurred. (Sec. 407)
12. **Welfare-to-Work Allocation.** Senate allocated \$200,000 from the welfare-to-work grant line to a nonprofit organization using the tri-sector employment and enhancement model and servicing a consortium of businesses. The funds are to provide support services to Work First recipients. (Sec. 437)
13. **Michigan Housing and Community Development Fund.** Governor specified that State contributions to the fund are appropriated to MSHDA. House concurred. Senate concurred in language and increased contribution. (Sec. 438)
14. **Land Bank.** Governor deleted language that allocated \$400,000 from the appropriation for the Land Bank Fast Track Authority for maintenance or demolition of tax-reverted properties. House maintained language but changed amount to \$100. (Sec. 439) Senate deleted.
15. **Focus: HOPE.** Senate allocated \$100 from the Welfare to Work grant line to Focus: HOPE to implement a career preparation pilot program in Wayne and Genesee counties. (Sec. 439)
16. **Gang Diversion Activities.** Senate added intent language that a portion of the WIA statewide activities funds be allocated to support coordinated efforts between local Michigan Works! Agencies and police and sheriff departments for gang diversion activities and support services to at-risk youth in Wyoming, Benton Harbor, and Detroit. (Sec. 440)

Date Completed: 5-28-08

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