



Senate Fiscal Agency
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BILL ANALYSIS



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FY 2006-07 Year-to-Date Gross Appropriation \$89,432,300

Changes from FY 2006-07 Year-to-Date:

Items Included by the House and Senate

- 1. **Career and Technical Education Transfer from DLEG.** The budget included a transfer of 25.0 FTEs and \$3,880,100 for the Career and Technical Education unit, as well as \$140,000 for Central Support and \$100,000 for information technology related to this transfer from the Department of Labor and Economic Growth. 4,120,100
- 2. **Michigan Schools for the Blind/Deaf and Blind.** Appropriation authority for the surplus Michigan School for the Blind property was eliminated (\$1,821,100) because the property was sold, and due to increasing enrollment at the Michigan Schools for the Deaf and Blind in Flint, funding was increased in the unit by \$1,290,200 (\$0 GF/GP). (530,900)
- 3. **Administrative Reduction in Federal Funds for Special Education Operations and School Improvement Services.** The House and Senate agreed with the Governor's reduction of \$120,000 in Federal funds supporting the Office of Special Education, and with a \$60,000 Federal funds reduction in School Improvement Operations. (180,000)
- 4. **Economic Adjustments.** The budget included economic adjustments totaling \$1,704,000, of which \$189,600 is GF/GP. 1,704,000
- 5. **Restoration of Retirement Reductions in Executive Order 2007-3.** The budget restored reductions made in EO 2007-3 that were a result of savings in FY 2006-07 attributable to a reduced retirement contribution rate charged to departments. 1,116,100
- 6. **Other Changes.** Miscellaneous changes such as increased tenant rent (\$111,000), adjustments in sick leave and terminal leave payments (decline of \$5,900), savings from human resources optimization charges (\$14,100), increased restricted funds for training and orientation workshops (\$50,000), a 5% reduction to DIT enterprises, net of the reduction already taken in SB 437 (\$18,800), and an increase in funding for DIT hosting costs (\$176,000) were included. Also, supplemental restricted funding for Commodity Distribution appropriated in P.A. 41 of 2007 is not continued (\$227,000). Other changes total \$60,900. 132,100

Conference Agreement on Items of Difference

- 7. **Information Technology Operations (DIT).** The Conference Report reduced DIT operational funding by \$100,000 GF/GP. (100,000)
- 8. **Early Childhood Education and Family Services.** The Conference Report restored two GF/GP cuts in P.A. 17 of 2007: a \$65,000 reduction in Central Support and a \$25,400 reduction in Early Childhood, and subsequently eliminated GF/GP support of a study of the Michigan School Readiness Program (\$79,100), funded in the Early Childhood unit. 11,300
- 9. **Teacher Certification.** The Conference Report included continuing funding for \$100,000 each to Central Michigan and Wayne State universities, and funding for an update to the teacher licensure database (\$0 GF/GP). 777,400

Total Changes..... \$7,050,100

FY 2007-08 Enacted Gross Appropriation..... \$96,482,400

Changes from FY 2006-07 Year to Date:Items Included by the House and Senate

1. **Elimination of Best Practices Study.** The House and Senate agreed with the Governor to eliminate a section earmarking funds for a study of best practices in education since the funding was removed in an E.O. (Sec. 303)
2. **Michigan School for the Blind Former Site.** The House and Senate agreed with the Governor to delete language pertaining to the Michigan School for the Blind's former campus since the property was sold. (Sec. 403)
3. **Communication with the Legislature.** The House and Senate agreed to retain language prohibiting sanctions against employees who communicate factually with the Legislature. (Sec. 215)

Conference Agreement on Items of Difference

4. **Paying Auditor General Bills within 60 Days.** The Conference Report did include language requiring the Department to pay Auditor General bills within 60 days. (Sec. 217)
5. **Automated External Defibrillators.** The Conference Report did not include this House language encouraging the Department to provide districts with information on AEDs since no funding was appropriated for this grant program in the School Aid Act.
6. **Provide Data to Legislature in a Timely Manner.** The Conference Report did include a section requiring the Department to provide data to the Legislature or to the fiscal agencies in a timely manner. (Sec. 220)
7. **Hiring of Legal Services.** The Conference Report did include this Senate language prohibiting the Department from hiring legal services that could be performed by the Attorney General, unless otherwise approved by the Attorney General. (Sec. 221)
8. **Departmental Reporting of Policy Changes Made to Implement Appropriations.** The Conference Report did include this Senate language requiring the Department to report on any policy changes made to implement appropriations and prohibiting the Department from using appropriations to promulgate rules that do not reduce the regulatory burden on small businesses. (Sec. 222)
9. **Continuous Improvement Efficiency Mechanisms.** The Conference Report did not include Senate language requiring the Department to implement continuous improvement efficiency mechanisms, and to report on such implementation March 31, 2008 and September 30, 2008.
10. **Comprehensive Financial Audit of Detroit Public Schools.** The Conference Report did not include Senate language requiring the Department to conduct a comprehensive financial audit of the Detroit Public Schools.
11. **Contingency Funds.** The Conference Report did include contingency fund appropriations that were included in the House-passed version of this budget bill. (Sec. 219)
12. **Study of School Employee Salaries and Benefits.** The Conference Report did not include this House language earmarking funds for a study of school employee salaries and benefits since no funding was appropriated.
13. **Study of Consolidation.** The Conference Report did not include this House language earmarking funds for a study of the impact of consolidation since no funding was appropriated.

Date Completed: 11-02-07

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