

**Summary of FY 2003-04 Supplemental
SB 267 (H-1)**

Dept./Budget	Executive Recommendations (2/12; 3/9(2); & 4/23/04 Letters)		Senate Passed		House Committee	
	GF/GP	Gross	GF/GP	Gross	Gross	Gross
Agriculture	\$0	\$18,385,600	\$0	\$18,385,600	\$0	\$18,585,600
Attorney Gen.	0	713,934	0	433,934	0	714,000
Capital Outlay	100	3,681,000	0	0	100	3,681,000
DCH	0	53,103,500	0	53,103,500	0	53,103,500
Corrections	0	57,400	0	0	0	57,400
Education	0	150,000	0	150,000	0	150,000
DEQ	0	77,510,300	0	76,385,000	0	77,510,300
FIA	0	156,038,600	0	146,309,600	0	156,038,600
DIT	0	11,030,000	0	10,800,000	0	11,030,000
DLEG	0	29,014,500	0	0	0	29,014,500
DMVA	0	4,332,700	0	0	0	4,332,700
DNR	0	5,062,500	0	4,350,000	0	5,062,500
State	0	725,000	0	600,000	0	725,000
State Police	0	6,251,000	0	5,626,000	0	6,251,000
Transportation	0	111,331,800	0	0	0	111,331,800
Treasury	0	450,000	0	0	0	450,000
TOTALS	\$100	\$477,837,834	\$0	\$316,143,634	\$100	\$478,037,900

Budgetary Issues:**DEPARTMENT OF AGRICULTURE****1. Emerald Ash Borer Control Program**

Includes federal funding for the second year of this program. Funds are provided for eradication efforts in affected areas of southeast Michigan and other threatened areas in the lower peninsula. No state revenue match is required for this program.

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
FTE	155.0	155.0	155.0
Gross	\$17,750,000	\$17,750,000	\$17,750,000
Federal	17,750,000	17,750,000	17,750,000

2. Animal Health and Welfare

Federal USDA grants for animal health surveillance (\$212,100) and inspection of slaughterhouse facilities (\$55,000), and reimbursement from MSU for support costs incurred by the Department for emergency management training (\$18,500, Industry Support Funds).

Gross	\$285,600	\$285,600	\$285,600
Federal	212,100	212,100	212,100
Restricted	18,500	18,500	18,500

3. Environmental Stewardship

Right to Farm program: \$45,000 (IDG from DEQ); Environmental Assurance Program: \$100,000 (Federal); Distribution of settlement revenue for the Conservation Reserve Enhancement Program in Saginaw County: \$5,000 (Industry Support Funds).

Gross	\$150,000	\$150,000	\$150,000
IDG	45,000	45,000	45,000
Federal	100,000	100,000	100,000
Restricted	5,000	5,000	5,000

4. Pesticide and Plant Management

Project GREEN grant (from MSU) for pesticide handling and disease prevention programs.

Gross	\$200,000	\$200,000	\$200,000
Restricted	200,000	200,000	200,000

5. Distribution of Outstanding Winning Tickets

The authorization for the distribution of unclaimed horserace winnings would be increased from \$500,000 to \$700,000. The current year appropriation act (Section 811 of PA 157) provides for a transfer process whereby funds would be provided for purse supplements for county fair races.

Gross	\$0	\$0	\$200,000
Restricted	0	0	200,000

DEPARTMENT OF ATTORNEY GENERAL**1. Medicaid Fraud**

Authorizes the Department to carry forward unexpended civil penalty collection revenue. The Health Care Fraud Division initiates civil lawsuits against individuals who either plead guilty to or are convicted of certain Medicaid fraud violations. All civil penalties collected are considered program income and must be used in accordance with federal guidelines.

Gross	\$433,934	\$433,934	\$434,000
Federal	433,934	433,934	434,000

2. Real Estate Enforcement

Authorizes the Department to receive and expend funding from the Real Estate Enforcement Fund created pursuant to 2002 PA 623. Funding will be used for the investigation and prosecution of individuals and companies who engage in unlicensed real estate activities.

Gross	\$200,000	\$0	\$200,000
Restricted	200,000	0	200,000

3. Domestic Violence Prosecution

Authorizes the Department to receive and expend federal grant funding made available from the U.S. Department of Justice, Office of Violence Against Women for the domestic violence prosecution program. Funding will be used to assist local prosecutors with misdemeanor and felony domestic violence and homicide prevention cases in order to promote safety, justice, and stability for domestic violence victims and their children, hold batterers accountable for the violence, and stop and prevent future violence.

Gross	\$80,000	\$0	\$80,000
Federal	80,000	0	80,000

Budgetary Issues:**CAPITAL OUTLAY****1. Natural Resources Trust Fund Projects**

The Michigan Natural Resources Trust Fund Board of Trustees approves 27 land acquisition and 24 development projects for recreational purposes statewide. Of the total, \$13 million is directly provided as grants-in-aid to local units. The projects/grants range in size from \$6,900 to \$4 million.

Gross	\$23,680,900	\$0	\$23,680,900
Restricted	23,680,900	0	23,680,900

2. Huron Valley Prison Complex Improvements

Anticipating the closing of the Western Wayne prison and the subsequent movement of those female prisoners, the addition of a full production kitchen and dining facility is necessary at this prison. The total cost authorization is \$3.675 million and will be financed through the State Building Authority.

Gross	\$100	\$0	\$100
GF/GP	\$100	\$0	\$100

3. Airport Safety and Protection Plan

The federal government has lowered the required local match from 10% to 5% for almost all airport improvement/safety projects. This 5% is usually split evenly between the State and the local unit. This nearly 50% reduction directly responds to that policy and the anticipated level of available federal funds.

Gross	(\$20,000,000)	\$0	(\$20,000,000)
Local	(20,000,000)	0	(20,000,000)

DEPARTMENT OF COMMUNITY HEALTH**1. Certificate of Need Program**

Increases available Certificate of Need (CON) fee revenue to allow staff to perform required audit functions, and research and analysis for the CON program.

Gross	\$100,000	\$100,000	\$100,000
Restricted	100,000	100,000	100,000

2. Developmental Disabilities Projects

Recognizes carryforward of federal revenue for improving the service delivery support network for persons with developmental disabilities.

Gross	\$500,000	\$500,000	\$500,000
Federal	500,000	500,000	500,000

3. Michigan Essential Health Care Provider Program

Appropriates matching private and federal revenue to support program assisting providers in designated medically underserved areas in the repayment of health education loans.

Gross	\$54,800	\$54,800	\$54,800
Federal	27,400	27,400	27,400
Private	27,400	27,400	27,400

4. Increased Federal Revenue for Mental Health/Substance Abuse Services Administration

Increases federal Medicaid revenue by \$118,000 to address new federal reporting requirements for the Managed Specialty Services and Supports Waiver. Recognizes federal Substance Abuse/Mental Health Services (SAMHSA) revenue of \$90,000 to promote community-based systems of care. Appropriates SAMHSA revenue of \$25,000 to support required substance abuse data development.

Gross	\$233,000	\$233,000	\$233,000
Federal	233,000	233,000	233,000

5. Federal Mental Health Block Grant

Recognizes carryforward of federal mental health block grant revenue for projects for children and adults with mental illness.

Gross	\$1,900,000	\$1,900,000	\$1,900,000
Federal	1,900,000	1,900,000	1,900,000

Budgetary Issues:**6. Increased Hospital Days of Care**

Increases funding by \$17.1 million GF/GP to allow CMHSPs to purchase increased days of care at Kalamazoo Psychiatric Hospital and Mt. Pleasant Center due to the FY 2002-03 closure of Northville Psychiatric Hospital. Increase is financed by a reduction to Community Mental Health Non-Medicaid Services funds. Also increases authorization for Kalamazoo and Mt. Pleasant by \$17.1 million for the additional days of care at these facilities.

Gross
CMHSP,
Purchase
of State
Services
Contracts

Exec. Rec.

\$17,116,000
17,116,000

Senate

\$17,116,000
17,116,000

House

\$17,116,000
17,116,000

7. Gifts and Bequests

Increases private revenue authorization for Gifts and Bequests for Patient Living and Treatment Environment line item to purchase one-time enhancements for patients at state facilities.

Gross
Private

\$725,000
725,000

\$725,000
725,000

\$725,000
725,000

8. Information Technology

Increases federal Medicaid revenue supporting Information Technology Services and Projects by \$8.3 million to complete the Health Insurance Portability and Accountability Act (HIPAA) project. Also recommends increasing federal Women, Infants, and Children (WIC) revenues by \$500,000 for the electronic smart card project.

Gross
Federal

\$8,800,000
8,800,000

\$8,800,000
8,800,000

\$8,800,000
8,800,000

9. Minority Health Grant

Recognizes a one-time federal grant award to the Michigan Office of Minority Health to convene a conference regarding minority population obesity and strategies to address this issue.

Gross
Federal

\$20,000
20,000

\$20,000
20,000

\$20,000
20,000

10. Vital Records Funding for Registries

Appropriates additional revenue supporting vital records registries: a) an increase of \$125,300 of interdepartmental grant funds from FIA for assistance related to paternity and child support cases; b) \$125,000 of additional federal funds supporting the cancer registry; and c) \$100,000 of new federal grant revenue through Wayne State University to build DCH and City of Detroit collaboration on cancer registries.

Gross
IDG
Federal

\$350,300
125,300
225,000

\$350,300
125,300
225,000

\$350,300
125,300
225,000

11. Laboratory Fee Revenue and Grants

Recognizes \$1.3 million in additional revenue resulting from an increase in the newborn screening test fee effective April 2003, and from the statutorily-authorized annual inflationary fee increase. Also recognizes new federal grant funds of \$485,000 for tuberculosis genotyping and surveillance and \$206,500 to improve public health related testing in clinical laboratories.

Gross
Federal
Restricted

\$1,991,500
691,500
1,300,000

\$1,991,500
691,500
1,300,000

\$1,991,500
691,500
1,300,000

12. HIV/AIDS Surveillance Evaluation

Recommends increased appropriation to recognize additional federal funds available for ongoing HIV/AIDS surveillance system evaluation.

Gross
Federal

\$203,200
203,200

\$203,200
203,200

\$203,200
203,200

13. Bioterrorism Preparedness

Appropriates additional hospital bioterrorism preparedness and response funding from the federal government for enhanced support to areas at high risk of a terrorist event in the City of Detroit.

Gross
Federal

\$600,000
600,000

\$600,000
600,000

\$600,000
600,000

Budgetary Issues:

		<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
14. Epidemiology	Gross	\$392,500	\$392,500	\$392,500
Increases appropriation for Epidemiology Administration to recognize numerous federal grant adjustments, including new funding of \$312,500 to enhance the use of genomics, the study of genes and the human genome, in epidemiology and core public health functions, and \$80,000 from the EPA Endocrine Disruptors project to assess chemical contamination in fish as part of a study of the impact of chemicals on the endocrine systems of humans and wildlife.	Federal	392,500	392,500	392,500
15. Lead Hazard Information	Gross	\$100,000	\$100,000	\$100,000
Recognizes federal EPA funding awarded to support special awareness and education projects related to housing renovations and compliance with federal lead hazard information distribution requirements.	Federal	100,000	100,000	100,000
16. Cancer Prevention and Control	Gross	\$2,868,200	\$2,868,200	\$2,868,200
Increases the cancer prevention and control program appropriation to recognize additional revenue from the federal breast and cervical cancer control grant.	Federal	2,868,200	2,868,200	2,868,200
17. Chronic Disease Prevention	Gross	\$929,400	\$929,400	\$929,400
Recognizes additional federal funds awarded for chronic disease prevention programs: a one-time \$24,000 obesity grant, a one-time \$25,000 grant to promote healthy weight programs in schools, increased arthritis grant funds requiring \$658,400 of additional authorization, and a \$222,000 increase in diabetes control funds.	Federal	929,400	929,400	929,400
18. Public Health Traffic Safety	Gross	\$214,500	\$214,500	\$214,500
Appropriates new federal grant award revenue for community-based interventions to reduce motor vehicle-related injuries.	Federal	214,500	214,500	214,500
19. Rape Prevention and Education	Gross	\$310,800	\$310,800	\$310,800
Appropriates additional federal revenue available from the ongoing federal grant for rape prevention and education to the Violence Prevention line item.	Federal	310,800	310,800	310,800
20. Migrant Health Care	Gross	\$72,200	\$72,200	\$72,200
Recognizes additional federal Medicaid revenue to the migrant health program for immunization services to eligible children.	Federal	72,200	72,200	72,200
21. Pediatric AIDS	Gross	\$340,100	\$340,100	\$340,100
Appropriates additional federal grant revenue and available carryforward funds for expenditure for the pediatric AIDS program.	Federal	340,100	340,100	340,100
22. Fetal Alcohol Syndrome	Gross	\$400,000	\$400,000	\$400,000
Recognizes a new federal grant award for fetal alcohol syndrome prevention, appropriated to the Special Projects line item.	Federal	400,000	400,000	400,000
23. Real Choice Systems Grant	Gross	\$99,400	\$99,400	\$99,400
Recognizes a new federal grant award for a "Real Choice Systems for Community Living" project, appropriated to the Special Projects line item.	Federal	99,400	99,400	99,400

Budgetary Issues:

		<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
24. Aging Administration Relatives as Parents Grant	Gross	\$20,000	\$20,000	\$20,000
Increases private revenue authorization for Office of Services to Aging Administration line item to recognize a private grant from the Brookdale Foundation Group for the Relatives As Parents Program (RAPP) State Initiative, also funded in FY2002-03, and administered in collaboration with the Kinship Care Resource Center at MSU.	Private	20,000	20,000	20,000
25. Senior Targeted Care Management	Gross	\$200,000	\$200,000	\$200,000
Recommends increase to recognize additional federal Medicaid revenue for targeted care management of home services for Medicaid-eligible senior clients at risk of nursing home placement.	Federal	200,000	200,000	200,000
26. Senior Respite Care	Gross	\$450,000	\$450,000	\$450,000
Increases state restricted funds appropriation to allow expenditure of available carryforward funds escheated to the state and directed by statute to senior respite care.	Restricted	450,000	450,000	450,000
27. Medical Services Administration University Contracts	Gross	\$3,000,000	\$3,000,000	\$3,000,000
Increases federal Medicaid funding for administrative contracts with Michigan State University and the University of Michigan for various health care initiatives. The universities provide the 50% match required to obtain the increased federal funds. A similar adjustment is included in the FY 2004-05 Executive Budget proposal.	Federal	3,000,000	3,000,000	3,000,000
28. Psychiatric Residency Program	Gross	\$3,104,000	\$3,104,000	\$3,104,000
Recommends \$1.6 million in federal Medicaid funds and \$1.5 million in state restricted revenues provided by Wayne State University and Michigan State University to increase graduate medical education funding for the psychiatric residency program.	Federal	1,559,300	1,559,300	1,559,300
	Restricted	1,544,700	1,544,700	1,544,700
29. Medicaid Hospital Services	Gross	\$7,398,600	\$7,398,600	\$7,398,600
Adds \$3.1 million from a vitamin lawsuit settlement and \$4.3 million in federal Medicaid matching funds to increase the hospital services line. A portion of the lawsuit proceeds was previously appropriated in FY 2002-03 (HB 4367) to finance a year-end accrual accounting adjustment for long-term care services.	Federal	4,298,600	4,298,600	4,298,600
	Restricted	3,100,000	3,100,000	3,100,000
30. Elder Prescription Insurance Coverage (EPIC) Program	Gross	\$610,000	\$610,000	\$610,000
Appropriates \$610,000 from various anti-trust enforcement recoveries to increase funding for the Elder Prescription Insurance Coverage (EPIC) program.	Restricted	610,000	610,000	610,000

DEPARTMENT OF CORRECTIONS

1. Education Services & Federal Education Grants	Gross	\$57,400	\$0	\$57,400
Appropriates recent grant award under federal library services and technology grant program. Award to be utilized to provide computerized "card catalogs" and computerized circulation systems at several correctional facilities: Alger Maximum (in Munising), Saginaw (in Freeland), Pugsley (in Kingsley), and Standish (in Standish).	Federal	57,400	0	57,400

Budgetary Issues:**DEPARTMENT OF EDUCATION****1. Limited License to Instruct Pilot Project**

Of the funds appropriated for Professional Preparation operations, \$75,000 is allocated to the Limited License to Instruct program at Wayne State University to help teachers meet federal No Child Left Behind Act certification requirements. An additional \$75,000 is allocated to Central Michigan University for the Alternative Route to Certification program, a fast-track teacher certification program for those seeking to teach math and science.

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
Gross	\$150,000	\$150,000	\$150,000
Restricted	150,000	150,000	150,000

DEPARTMENT OF ENVIRONMENTAL QUALITY**1. Drinking Water Program, Monthly Reporting**

Grant funds would be used for a contract to develop or allow local drinking water systems operators to transmit monthly reports to the Department.

Gross	\$275,000	\$275,000	\$275,000
Federal	275,000	275,000	275,000

2. Surface Water

Provides \$45,000 (EPA Federal) for the Right to Farm program in the Department of Agriculture.

Gross	\$45,000	\$45,000	\$45,000
Federal	45,000	45,000	45,000

3. CMI Environmental Cleanup and Redevelopment Projects

Clean Michigan Initiative grants for cleanup projects at 34 sites posing an imminent or substantial endangerment to public health and 11 redevelopment projects.

Gross	\$24,565,000	\$24,565,000	\$24,565,000
Restricted	24,565,000	24,565,000	24,565,000

4. CMI Brownfield Grants and Loans

Clean Michigan Initiative grants to Brownfield redevelopment authorities for projects at contaminated sites with redevelopment potential.

Gross	\$30,000,000	\$30,000,000	\$30,000,000
Restricted	30,000,000	30,000,000	30,000,000

5. CMI Remediation Projects

Clean Michigan Initiative funding for remediation and cleanup of the Black Lagoon (Detroit River), BASF site (Detroit River), and Muskegon Lake.

Gross	\$11,500,000	\$11,500,000	\$11,500,000
Restricted	11,500,000	11,500,000	11,500,000

6. CMI Nonpoint Source Pollution Control Grants

Clean Michigan Initiative grants for nonpoint source grants and loans.

Gross	\$10,000,000	\$10,000,000	\$10,000,000
Restricted	10,000,000	10,000,000	10,000,000

7. Coastal Management Grants

Additional federal fund support would be added to the Coastal Zone Management Grant program. This increase would make \$2.0 million available for FY 2003-04.

Gross	\$200,000	\$0	\$200,000
Federal	200,000	0	200,000

8. Surface Water

This Federal grant increase would support aquatic toxicity research to evaluate the impact of copper on living systems, stormwater education and outreach training, soil and groundwater sample testing at Ruddiman Creek, and additional funding for the Conservation Reserve Enhancement Program.

Gross	\$695,300	\$0	\$695,300
Federal	695,300	0	695,300

9. Information Technology Services and Projects

Federal funds would be appropriated for stormwater and construction application and permit process improvements.

Gross	\$230,000	\$0	\$230,000
Federal	230,000	0	230,000

Budgetary Issues:**FAMILY INDEPENDENCE AGENCY****Exec. Rec.****Senate****House****1. Family Independence Program**

Increases funding by \$26.1 million in Federal TANF funds to cover Family Independence Program projected caseload spending. Includes a projected average annual caseload of 79,400, up 5,335 from the FY 2003-04 budgeted caseload.

Gross	\$26,056,100	\$26,056,100	\$26,056,100
Federal	26,056,100	26,056,100	26,056,100

2. Food Assistance Program

Increases existing caseload spending by \$44.9 million and, effective March 1, 2004, expands future caseload to include 75,000 childless adults now eligible for one year of benefits every three years rather than three months every three years. This 75,000 person expansion adds \$57.5 million, and is the result of a Federal waiver sought by FIA, and granted by the United States Food and Nutrition Service.

Gross	\$102,444,200	\$102,444,200	\$102,444,200
Federal	102,444,200	102,444,200	102,444,200

3. Day Care Services

Includes an increase of \$17.8 million in Federal TANF funds for Day Care Services to cover projected caseload spending. Recommendation includes a projected average annual caseload of 69,000, up 1,014 from the FY 2003-04 budgeted caseload.

Gross	\$17,809,300	\$17,809,300	\$17,809,300
Federal	17,809,300	17,809,300	17,809,300

4. Nutrition Education

This is not new funding, but rather a technical correction due to an Auditor General finding. In prior years, the Family Independence Agency (FIA) treated Federal funding provided by the United States Food and Nutrition Service to Michigan State University (MSU) for a nutrition education program as a direct pass-through without recording the expenditures on the State's books. The Office of the Auditor General (OAG) recently determined that Michigan State University must be treated as a vendor, and payments for MSU's nutrition education program must be recorded as expenditures. This supplemental request establishes a new line titled "Nutrition Education," and a Federal funding authorization of \$7.7 million to comply with the OAG finding.

Gross	\$7,669,800	\$0	\$7,669,800
Federal	7,669,800	0	7,669,800

5. Weatherization Assistance

Increases funding by \$2.1 million based on an additional allotment from the U.S. Department of Energy, allowing the FIA to increase its FY 2004 Weatherization spending plan from \$15.9 to \$18.0 million.

Weatherization funds are allocated to the 30 Michigan Community Action Agencies who contract with private building contractors to repair and improve existing low income housing to conserve heating energy.

Gross	\$2,059,200	\$0	\$2,059,200
Federal	2,059,200	0	2,059,200

DEPARTMENT OF INFORMATION TECHNOLOGY**1. HIPAA Project**

Appropriates \$8.3 million in federal Medicaid funding for completion of the Health Insurance Portability and Accountability Act (HIPAA) project and \$500,000 in federal WIC funding to be used for the electronic banking smart card project. The Department of Information Technology will finance this supplemental with an IDG from the Department of Community Health.

Gross	\$8,800,000	\$8,800,000	\$8,800,000
IDG	8,800,000	8,800,000	8,800,000

Budgetary Issues:**2. Commercial Vehicle Information Systems and Networks Project**

Appropriates \$2.0 million to be used for system design and administrative costs of the Commercial Vehicle Information Systems and Networks automation project. The project interconnects several state agency computer systems that support commercial motor carrier vehicle registrations, fuel tax collections, and safety compliance. The Department of Information Technology will finance this supplemental with an IDG from the Department of State Police.

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
Gross	\$2,000,000	\$2,000,000	\$2,000,000
IDG	2,000,000	2,000,000	2,000,000

3. DEQ - Storm Water Project

Appropriates \$230,000 to be used to streamline the permitting process through the implementation of a system which will accept and process industrial storm water and construction storm water applications. The Department of Information Technology will use the services of a contractor to develop the software required and will finance this supplemental with an IDG from the Department of Environmental Quality.

Gross	\$230,000	\$0	\$230,000
IDG	230,000	0	230,000

DEPARTMENT OF LABOR AND ECONOMIC GROWTH**1. Remonumentation Grants**

An additional \$4.0 million of restricted Remonumentation Fee revenue authorization is requested to fund remonumentation grants. This would bring the FY 2004 appropriation to \$10.0 million. These grants are used for restoration, maintenance, and the preservation of land survey records of vertical and horizontal monuments, the public land survey system, and the property controlling corners established by the United State public land survey and by the national geodetic survey within Michigan. Companion boilerplate language designates this appropriation a work project. . The FY 2005 House passed Department of Labor and Economic Growth budget bill includes a \$10.0 million appropriation as well.

Gross	\$4,000,000	\$0	\$4,000,000
Restricted	4,000,000	0	4,000,000

2. Adult Basic Education

Additional federal Adult Education funds are available resulting in the need for additional authorization. The Adult Basic Education appropriation line funds instructional programs targeting individuals who are 16 years of age or older, have not graduated from and are not enrolled in high school, and who lack the basic educational skills necessary to function in society.

Gross	\$5,000,000	\$0	\$5,000,000
Federal	5,000,000	0	5,000,000

3. Carl D. Perkins Grants

Additional federal authorization is requested due to an increase in Carl D. Perkins Vocational Education and Applied Technology Act federal funding to Michigan. The funds support grants which are distributed to local school districts to finance curriculum design, teacher training, technology, and other materials necessary to conduct vocational education programs. A \$5.0 million authorization increase was included in the House passed Department of Labor and Economic Growth budget bill.

Gross	\$5,000,000	\$0	\$5,000,000
Federal	5,000,000	0	5,000,000

Budgetary Issues:**4. Job Training Program Subgrantees**

Additional federal Workforce Investment Act (WIA) funding requires additional authorization for expenditure. These funds would be distributed through the Michigan Works! Agencies and will provide employment and training services to unemployed and dislocated workers.

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
Gross	\$14,800,000	\$0	\$14,800,000
Federal	14,800,000	0	14,800,000

5. Land Bank Fast Track Authority

Reflects need for part year funding for 3.0 FTEs to administer 258 PA 2003, the Land Bank Fast Track Authority. The Authority was established to clear titles of tax reverted properties and assist in making them more marketable for redevelopment. The FY 2005 House passed Department of Labor and Economic Growth budget bill included a full year appropriation of \$650,000 for 3.0 FTEs. The revenue source is the Land Bank Fast Track Fund which may receive money from the sale or transfer of property under the Act or proceeds of the sale of notes or bonds.

FTE	3.0	0.0	3.0
Gross	\$214,500	\$0	\$214,500
Restricted	214,500	0	214,500

DEPARTMENT OF MILITARY & VETERANS AFFAIRS**1. Headquarters and Armories**

Provides federal revenue of \$300,000 for increased costs of operation of armories throughout the state. Provides \$190,200 homeland security grants available for purchase of walkie-talkie radios to facilitate communications during emergency disasters. Provides \$42,500 IDG from the Department of Community Health Office of Drug Control for the Challenge program.

Gross	\$532,700	\$0	\$532,700
Federal	300,000	0	300,000
IDG	232,700		232,700

2. Military Training Sites and Support Facilities

Provides federal revenue of \$2.0 million to cover costs of overtime in the operation and maintenance of air bases and increased training at the military training sites.

Gross	\$2,000,000	\$0	\$2,000,000
Federal	2,000,000	0	2,000,000

3. Departmentwide Appropriations

Provides \$1.0 million from the Department of Defense to purchase furniture and operational equipment for Camp Grayling and the newly constructed Combined Support Maintenance Shop located in Lansing.

Gross	\$1,000,000	\$0	\$1,000,000
Federal	1,000,000	0	1,000,000

4. Grand Rapids Veterans' Home

Provides \$600,000 Income and Assessment revenue to address shortfalls in salary and wage costs due to delay in reaching concession agreements with affected bargaining units.

Gross	\$600,000	\$0	\$600,000
Restricted	600,000	0	600,000

5. D.J. Jacobetti Veterans' Home

Provides \$175,000 federal revenue and \$25,000 Income and Assessment revenue to address shortfalls in salary and wage costs due to delay in reaching concession agreements with affected bargaining units.

Gross	\$200,000	\$0	\$200,000
Restricted	200,000	0	200,000

DEPARTMENT OF NATURAL RESOURCES**1. Snowmobile Local Grants Program**

The local snowmobile trails program is expanded, appropriating the added amount realized through the recently enacted fee increase for trail maintenance and grooming.

Gross	\$4,000,000	\$4,000,000	\$4,000,000
Restricted	4,000,000	4,000,000	4,000,000

Budgetary Issues:**2. Retail System Software Upgrade**

Elk Hunting Permit program is to be revised. This appropriation would increase the existing contract for the Retail Sales System to make the needed software changes, giving priority to those applicants who have unsuccessfully participated in the permit lottery program in earlier years.

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
Gross	\$350,000	\$350,000	\$350,000
Restricted	350,000	350,000	350,000

3. Grants, Contracts, and Customer Systems

Natural Resource Trust Fund revenue would be provided to cover costs related to a settlement in the oil exploration/development takings case in the Pigeon River State Forest. This amount represents one half of the agreed upon State payment. The Department of Environmental Quality will pay its portion from existing appropriations.

Gross	\$212,500	\$0	\$212,500
Restricted	212,500	0	212,500

4. Forest and Timber Treatments

Forest Development Funds would be provided to cover the cost of the new forest certification effort in State Forests.

Gross	\$500,000	\$0	\$500,000
Restricted	500,000	0	500,000

DEPARTMENT OF STATE**1. Help America Vote Act Implementation**

Appropriates an additional \$410,000 in federal Help America Vote Act funding to be used to make barrier-free changes at local polling places as soon as possible before the August elections.

Gross	\$410,000	\$410,000	\$410,000
Federal	410,000	410,000	410,000

2. Notary Public Act

Appropriates \$150,000 from the Notary Fee Fund and \$40,000 from the Notary Education and Training Fund for implementation of Public Act 238 of 2003, which rewrites the Michigan Notary Public Act. The legislation streamlines the application process and authorizes the Department to conduct background checks to ensure suitable candidates. These funds will be used to train county clerks on changes in the law and for costs associated with mass mailings to inform notaries of the changes.

Gross	\$190,000	\$190,000	\$190,000
Restricted	190,000	190,000	190,000

3. Motorcycle Safety Education Grants

Authorizes the Department to receive additional Motorcycle Safety Fund fee revenue which will be used to increase grant funding that is made available to local motor cycle safety education programs.

Gross	\$125,000	\$0	\$125,000
Restricted	125,000	0	125,000

DEPARTMENT OF STATE POLICE**1. Auto Theft Prevention Grants**

Auto Theft Prevention Authority Fund is available for distribution approved by the Auto Theft Prevention Authority board of directors. Local public safety agencies will receive 87% of the grants and the State Police would retain 13%.

Gross	\$1,935,000	\$1,935,000	\$1,935,000
Restricted	1,935,000	1,935,000	1,935,000

2. Bomb Squad Equipment

Provides carry forward revenue of \$546,000 available for the replacement of worn or obsolete forensic lab equipment. Also provides \$150,000 in donations from the General Motors Foundation to purchase additional equipment to enhance the Bomb Squad response capabilities with respect to weapons of mass destruction incidents.

Gross	\$696,000	\$696,000	\$696,000
Restricted	696,000	696,000	696,000

Budgetary Issues:**3. Training Reimbursements**

Provides carry forward revenue of \$345,000 from Secondary road patrol and training fund available to reimburse local units of government for mandatory training of Michigan police officers.

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
Gross	\$345,000	\$345,000	\$345,000
Restricted	345,000	345,000	345,000

4. Dispatch Centers

Provides \$400,000 commercial mobile radio service fee revenue derived from 9-1-1 emergency cell phone charges per 2003 P.A. 244 that are available for equipment and operational costs at dispatch centers.

Gross	\$400,000	\$400,000	\$400,000
Restricted	400,000	400,000	400,000

5. Breath Test Equipment Distribution

Provides \$250,000 Drunk driving prevention and training fund revenue derived from suspended license reinstatement fees to be used for distributing preliminary breath test equipment primarily to local agency law enforcement agencies throughout the state.

Gross	\$250,000	\$250,000	\$250,000
Restricted	250,000	250,000	250,000

6. Commercial Vehicle Information Systems and Networks Project

Increases federal grant to be used for system design and administrative costs for the Commercial Vehicle Information Systems and Networks automation project. This project would interconnect several department computer systems that support commercial motor carrier vehicle registrations, safety compliance, and fuel tax collections.

Gross	\$2,000,000	\$2,000,000	\$2,000,000
Federal	2,000,000	2,000,000	2,000,000

7. Michigan Commission on Law Enforcement Standards

Provides state restricted funds to be used to benefit the families of public safety officers who die or are permanently and totally disabled as the direct and proximate result of personal injuries sustained in the line of duty per the Public Safety Officer Benefit Act.

Gross	\$125,000	\$0	\$125,000
Restricted	125,000	0	125,000

8. Uniform Services

Provides state police service fee revenue in reimbursement for costs such as overtime, travel and meals for services associated with cooperative projects with federal agencies, special event coverage, Saginaw County Safe Streets Task Force, and alcohol and tobacco compliance checks.

Gross	\$500,000	\$0	\$500,000
Restricted	500,000	0	500,000

DEPARTMENT OF TRANSPORTATION**1. Federal Revenue Increase**

Increases federal revenue for the state trunkline road and bridge construction line by \$71.3 million, and the local federal aid construction line by \$40.0 million based on latest estimates of federal aid. This adjustment also effectively restores spending authority for \$23.5 million in federal funds affected by the Governor's veto of Section 405 in the FY 2003-04 budget. That section had earmarked certain federal bridge funds for the local critical bridge program.

Gross	\$111,331,800	\$0	\$111,331,800
Federal	111,331,800	0	111,331,800

Budgetary Issues:

DEPARTMENT OF TREASURY

Exec. Rec.

Senate

House

1. Federal Court Case – Cigarette Trafficking

Gross
Restricted

\$400,000
400,000

\$0
0

\$400,000
400,000

Appropriation to pay for expert testimony and research in the federal court case brought against the state by the Keweenaw Bay Indian Community. The pending suit involves the state defending enforcement actions which it took in an effort to curtail the flow of illegal cigarette trafficking.

2. Federal Court Case – Right to Tax Lands

Gross
Restricted

\$50,000
50,000

\$0
0

\$50,000
50,000

Appropriation to pay for expert testimony and research in the federal court case brought against the state by the Keweenaw Bay Indian Community. The pending suit involves the state's and its localities' rights to tax lands which they believe are no longer under Tribal possession or federal possession.

Boilerplate Issues:**GENERAL SECTIONS****1. Sec. 203. Ergonomics Guidelines**

Prohibits state departments and agencies from expending any funds to develop ergonomic standards that are more stringent than the federal voluntary standards. These funds instead shall be used instead to minimize compensation concessions made by state employees.

Exec. Rec.**Senate****House**Not
IncludedNot
Included

Included

CAPITAL OUTLAY**1. Sec. 301. Airport Improvement Projects, Local Match**

The federal government has lowered the required local match from 10% to 5% for almost all airport improvement/safety projects. This 5% is usually split evenly between the State and the local unit. This replacement language reflects the new federal matching requirement.

Included

Included

Included

2. Sec. 302. Building Demolitions

Any State owned building scheduled for demolition must be authorized by the Legislature pursuant to Section 602 of the current Capital Outlay budget act. The administration is requesting permission to demolish the Cass power house/maintenance building (an 80-year old facility no longer in use), the Federal Surplus property warehouse at the North Lansing complex (no longer needed due to consolidation), and 11 buildings at the Newberry prison. These buildings, constructed between 1898 and 1948 were used when the facility was a mental hospital and are no longer in use. Six are listed as staff housing, 3 custodial cottages and 2 storage buildings.

Included

Included

Included

3. Sec. 303. Natural Resources Trust Fund

Requires the DNR to enter into agreements with local units of government receiving Michigan Natural Resources Trust Fund grants, and establishes parameters and conditions to be included in such agreements.

Included

Not
Included

Included

4. Sec. 304. Natural Resources Trust Fund

Establishes that unobligated balances of the Michigan Natural Resources Trust Fund appropriation are available for expenditure for up to three years, at which time the unobligated balances revert to the Trust Fund.

Included

Not
Included

Included

5. Sec. xx5. Building Demolition

Any State owned building scheduled for demolition must be authorized by the Legislature pursuant to Section 602 of the current Capital Outlay budget act. The administration is requesting permission to demolish the academic school building at Marquette prison that is no longer in use.

Included

Not
IncludedIncluded (in
Sec. 302)**6. Sec. 305. Project Cancellation**

This cancels the cost/construction authorizations for the Camp Brighton expansion project and directs the \$3.675 million State Building Authority authorization to the Huron Valley improvements project.

Included

Not
Included

Included

7. Sec. 306. Expenditure Authorizations

Allows Department of Corrections to make expenditures from existing operating accounts for renovation projects at Huron Valley Correctional Facility and the Huron Valley Center relative to the transfer of prisoners from Western Wayne Correctional Facility that is scheduled for closure.

Not
IncludedNot
Included

Included

Boilerplate Issues:

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
DEPARTMENT OF EDUCATION			
1. Sec. 450. Limited License to Instruct Pilot Project. Of the funds appropriated for Professional Preparation operations, \$75,000 is allocated to the Limited License to Instruct program at Wayne State University to help teachers meet federal No Child Left Behind Act certification requirements. An additional \$75,000 is allocated to Central Michigan University for the Alternative Route to Certification program, a fast-track teacher certification program for those seeking to teach math and science.	Not Included	Included	Included
DEPARTMENT OF ENVIRONMENTAL QUALITY			
1. Sec. 501. Brownfield Grants and Loans Program Directs \$15 million (of the \$30 million authorized) to be used to capitalize the Brownfield Cleanup Revolving Fund.	Included	Included	Included
2. Sec. 502. Work Project Designation: Brownfield Loan Program, Brownfield Redevelopment Grant Program, and Nonpoint Source Pollution Control Grants Appropriations given work project status until Sept. 30, 2008.	Included	Included	Included
3. Sec. 503. Work Project Designation: Environmental Cleanup and Redevelopment Program Appropriations given work project status until Sept. 30, 2008.	Included	Included	Included
4. Sec. 504. Environmental Cleanup/Redevelopment Site List Listing of specific cleanup sites (and their respective county locations).	Included	Included	Included
5. Sec. 505. Work Project Designation: Contaminated Lake and River Sediment Cleanup Program Appropriations given work project status until Sept. 30, 2008.	Included	Included	Included
6. Sec. 506. Contaminated Lake and River Sediment Cleanup Program Site List Listing of specific cleanup sites (and their respective county locations).	Included	Included	Included
FAMILY INDEPENDENCE AGENCY			
1. Sec. 601. Encouraging Family Foundations Program Requires the department to fully fund this program in Kent County.	Not Included	Included	Included
2. Sec. 602. Crisis Intervention Program Directs the department to work with the Pontiac school district to implement this program for elementary school students.	Not Included	Not Included	Included
DEPARTMENT OF LABOR AND ECONOMIC GROWTH			
1. Sec. 701. Work Project Status for Remonumentation Grants Designates the appropriation in part 1 for Remonumentation Grants as a work project account, states the purpose for the use of the funds and designates September 30, 2005 as the completion date for the work project.	Included	Not Included	Included

Boilerplate Issues:

	<u>Exec. Rec.</u>	<u>Senate</u>	<u>House</u>
DEPARTMENT OF MANAGEMENT & BUDGET			
1. Sec. 751. Motor Vehicle Fleet	Included	Not Included	Included
Revises current year language to include authorization for the Department to carry forward unencumbered funding and any revenues received in excess of the appropriation to be used to adjust vehicle rates or to cover unanticipated shortfalls.			
DEPARTMENT OF TRANSPORTATION			
1. Sec. 801. Multimodal Terminal	Not Included	Included	Included
Requires the department, in collaboration with SMART, to include intercity bus carriers in the planning of a multimodal transportation facility in Detroit.			
2. Sec. 802. Bureau of Multimodal Transportation Services	Not Included	Included	Not Included
Prohibits the department from using any fund sources to support Bureau operations, other than those contained in Section 115 of PA 162 of 2003 (the FY 2003-04 transportation budget bill.)			
3. Sec. 803. Proscription of Certain Costs	Not Included	Included	Included
Prohibits the department from reimbursing contractors or consultants for groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded in the 2003-04 transportation budget.			
4. Sec. 804. Federal Earmark	Not Included	Included	Included
Directs that funds remaining from a federal earmark for a Lake Chemung/Latson Road project be spent on right of way acquisition for an interchange at Latson Road and I-96 in Livingston County, and that the department begin right of way acquisition in the FY 2003-04 fiscal year.			
5. Sec. 805. Rail Passenger and Intercity Bus Strategies	Not Included	Included	Modified, subsection 4 stricken
Requires the department to meet with Amtrak, Indian Trails, and Greyhound "to discuss and develop short-term and long-term strategies to ensure that intercity bus operators are not disadvantaged by the state operating assistance subsidies provided to Amtrak from the state funds." Provide detailed reporting requirements. Subsection 4 indicates that "Any state subsidy for rail passenger service between Port Huron and Chicago shall not be used to artificially reduce passenger fares below the fare box cost of a private entity participating in the intercity bus loan program."			