

ENERGY, LABOR, AND ECONOMIC GROWTH
FY 2010-11 Summary: Conference Committee Report
House Bill 5884 (Substitute S-1) CR-1



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	FY 2009-10 Year-to-Date	FY 2010-11 Revised Exec	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Conference Change From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$29,294,800	\$13,246,300	\$13,503,500	13,210,600	\$13,246,300	(\$16,048,500)	(54.8)
Federal							
ARRA	101,445,400	0	0	0	0	(101,445,400)	(100.0)
Non-ARRA	920,943,900	838,292,500	1,008,535,800	834,569,300	845,292,500	(75,651,400)	(8.2)
Local	15,921,000	16,020,400	16,020,400	15,976,200	16,020,400	99,400	0.6
Private	5,314,300	6,085,000	6,085,000	6,085,000	6,085,000	770,700	14.5
Restricted	406,811,600	346,588,400	407,372,400	342,839,700	349,926,100	(56,885,500)	(14.0)
GF/GP	54,590,400	45,279,400	43,945,200	47,607,900	\$47,607,900	(6,982,500)	(12.8)
Gross	\$1,534,321,400	\$1,265,512,000	1,495,462,300	\$1,260,288,700	\$1,278,178,200	(\$256,143,200)	(16.7)
FTEs	4,740.0	4,406.0	4,701.0	4,405.0	4,418.0	(322.0)	(6.8)

Note: The FY 2009-10 YTD figure reflects contingency transfers, supplementals, and Executive Order actions through September 10, 2010. The House figures reflect the inclusion of the Michigan State Housing Development Authority and the Land Bank Fast Track Authority, which have since been transferred to the Department of Treasury.

Department Overview and Senate-Passed Highlights

The Department of Energy, Labor, and Economic Growth has the primary responsibility for the regulatory functions that relate specifically to commercial, business, and workers' issues. Major functional areas of the department include business and occupational licensing and regulation, workforce development programs, and workplace safety and regulation.

Major Budget Issues

Major Budget Changes From FY 2009-10 YTD Appropriations

		FY 2009-10 Year-to-Date	Conference Change From YTD
1. Michigan Nursing Corps	Gross	\$300,000	\$200,000
Eliminates the remaining GF/GP appropriation, and supports the program with \$500,000 in federal Workforce Investment Act funds.	Federal	0	500,000
	GF/GP	\$300,000	(\$300,000)
	FTEs	57.0	0.0
2. Bureau of Fire Services - Fireworks Safety Fund	Gross	\$6,052,700	\$0
Continues to provide the bureau with GF/GP funds, rather than replacing GF/GP with new and increased inspection, plan review, and training fees (Executive) or new fireworks sales and license revenue (House).	IDG	809,800	0
	Federal	788,000	0
	Restricted	1,854,900	0
	GF/GP	\$2,600,000	\$0
3. Workers Compensation Agency	FTEs	116.0	0.0
Reduces funding for the WCA and the Board of Magistrates and Appellate Commission by \$321,000 GF/GP.	Gross	\$11,947,600	(\$321,500)
	Restricted	4,506,000	0
	GF/GP	\$7,441,600	(\$321,500)
4. Welfare-to-Work	Gross	\$107,333,600	(\$10,409,800)
Reduces funding for the welfare-to-work line item by \$10.4 million.	Federal	89,299,000	(7,600,000)
	GF/GP	\$18,034,600	(\$2,809,800)
5. Liquor Control Commission	FTEs	152.0	6.0
Adds \$1.0 million LPRF and 6.0 FTE positions to support enhanced enforcement combating bootlegging. The target agreement anticipates \$4.0 million in additional GF/GP revenue due to enhanced bootlegging penalties.	Gross	\$16,180,000	\$1,000,000
	Restricted	16,180,000	1,000,000
6. Insurance Advocate	FTE	1.0	0.0
Reduces funding for the Automobile and Home Insurance Consumer Advocate, a civil service position created by Executive Order 2008-2, by \$62,300, effectively funding the position for half of the fiscal year.	Gross	\$124,500	(\$62,300)
	Restricted	124,500	(62,300)

Major Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 Year-to-Date	Conference Change From YTD
7. Michigan State Housing Development Authority	FTE	289.0	(289.0)
Eliminates funding for MSHDA, reflecting the authority's transfer to the Department of Treasury.	Gross	\$211,221,600	(\$211,221,600)
	Federal	156,944,000	(156,944,000)
	Restricted	54,277,600	(54,277,600)
8. Land Bank Fast Track Authority	FTE	6.0	(6.0)
Eliminates funding for LBFTA, reflecting the authority's transfer to the Department of Treasury.	Gross	\$1,914,500	(\$1,914,500)
	Restricted	1,914,500	(1,914,500)
9. Additional Federal Grants Revenues	FTE	N/A	6.0
Increases federal funding available to the Bureau of Energy Systems and the Office of Financial and Insurance Services due to the recent receipt of additional federal grant funds.	Gross	N/A	\$7,000,000
	Federal	N/A	7,000,000
10. Workforce Training Programs Subgrantees	Gross	\$244,153,600	(\$500,000)
Reduces funding for the workforce training subgrantees line item by \$500,000 (WIA) to fund the Michigan Nursing Corps Program.	Federal	239,653,600	(500,000)
	GF/GP	\$4,500,000	\$0
11. No Worker Left Behind – GF/GP Appropriation	Gross	\$4,500,000	(\$4,500,000)
Eliminates the remaining GF/GP appropriation for the program. The program is funded predominantly with federal funds (primarily WIA funds), which have totaled about \$120 million for each of the past 3 fiscal years (not including ARRA funds).	GF/GP	\$4,500,000	(4,500,000)
12. OFIR – Securities and Insurance Regulation	FTEs	349.0	15.0
Adds the Securities Investor Education and Training Fund (\$1.0 million) established under the Uniform Securities Act (2002), 2008 PA 551 (HB 5008). The fund receives all civil fines, costs of investigations and other administrative assessments, and is to be expended on investor education. Adds 10.0 FTE positions (\$646,500) to establish a regular examinations cycle (2-3 years) for securities broker-dealers and investment advisors. Increases OFIR's FTE authorization by 5.0 positions, to reflect the additional staff needed to conduct insurance rate reviews and form reviews. No additional spending authorization is needed to support these additional positions.	Gross	\$53,400,300	\$1,646,500
	Federal	50,400	0
	Restricted	53,349,900	1,646,500
13. Michigan Rehabilitation Service – Jobs, Education, and Training	FTEs	57.0	(57.0)
Eliminates the staffing and funding (IDG-DHS) for the Jobs, Education, and Training (JET) program. Within the DELEG budget, the JET line item refers to JET program participants that are referred to the Michigan Rehabilitation Service (MRS), to provide appropriate vocational rehabilitation assistance to individuals with disabilities. DHS has already stopped referring new JET participants to the MRS.	Gross	\$15,406,400	(\$15,406,400)
	IDG	15,406,400	(15,406,400)
14. Public Service Commission - Restructure Intrastate Access Charge	FTEs	186.0	4.0
Adds 4.0 FTE positions (\$440,000) for the MPSC costs related to the restructuring of intrastate access charges, as provided in 2009 PA 182 (HB 4257). The act specifically provides that the MPSC "shall recover its actual costs of administering the restructuring mechanism from assessments collected for the operation of the restructuring mechanism." [For FY 2010 this program is added with HB 5409, currently pending in the Senate.]	Gross	\$25,217,200	\$440,000
	Federal	539,000	0
	Restricted	24,678,200	440,000
15. Homeowner Construction Lien Recovery Fund	Gross	\$1,846,500	(\$1,846,500)
Eliminates the Homeowner Construction Lien Recovery Fund, established in the Construction Lien Act, which was funded by a small fee on building trades licensees, and used to pay subcontractors, suppliers, and laborers for the work they performed and for which they were not compensated, in lieu of placing a construction lien on the property of the homeowner. Since 2006, the number and value of claims against the fund and payments from the fund increased significantly, depleting the resources of the fund and its ability to meet the demand of claims. The fund was eliminated with the enactment of Public Acts 147-152 of 2010.	Restricted	1,846,500	(1,846,500)
16. Low Income Energy Efficiency Fund	Gross	\$90,000,000	\$5,000,000
Increases spending authority by \$5 million, reflecting additional revenue provided to the fund from MichCon, as part of its rate schedule per its general rate case, MPSC Case No. U-15985.	Restricted	90,000,000	5,000,000

Major Budget Changes From FY 2009-10 YTD Appropriations	FY 2009-10 Year-to-Date	Conference Change From YTD
17. Michigan Rehabilitation Service	FTEs 513.5	0.0
Increases funding for the MRS by \$250,000.	Gross \$70,387,100	\$250,000
	Federal 57,917,900	0
	Local 2,684,500	0
	Private 816,000	0
	Restricted 1,395,000	0
	GF/GP \$7,573,700	\$250,000
18. Unemployment Insurance Agency	FTEs 1,302.7	0.0
Increases federal spending authorization from the U.S. Department of Labor (Employment and Training Administration) for the administration of the state unemployment insurance program. Boilerplate authorizes the expenditure of funds received in excess of the amount appropriated in Part 1 (the line items). The additional authorization added here is intended to "true-up" the Part 1 appropriation with actual resources available.	Gross \$119,098,800	\$13,400,000
	Federal 119,098,800	13,400,000
19. Trade Adjustment Assistance	Gross \$30,000,000	\$57,000,000
Increases federal spending authorization in Trade Adjustment Assistance funds, available from the U.S. Department of Labor, (Employment and Training Administration).	Federal 30,000,000	57,000,000
20. Michigan Commission for the Blind	FTEs 107.0	0.0
Increases spending authorization for the MCB based on additional revenue under Title 1 of the federal Rehabilitation Act.	Gross \$25,260,600	\$1,030,000
	Federal 18,991,200	1,030,000
	Local 521,000	0
	Private 110,300	0
	Restricted 545,200	0
	GF/GP \$5,092,900	\$0
21. Michigan Commission for the Blind - Kalamazoo Training Center	Gross N/A	\$770,000
Adds \$770,000 in private grant funds received by the Michigan Commission for the Blind from the Kalamazoo Community Foundation for renovations at the MCB's Kalamazoo Training Center. The funds are to be used to renovate existing multi-person dorm rooms into single-person rooms in order to better meet the needs of the diverse clientele at the MCB-KTC, and make other necessary upgrades at the center.	Private N/A	770,000
22. Bureau of Fire Service - Fire Safe Cigarettes	Gross N/A	\$40,000
Adds a new fund source - the Fire Safety Standard and Enforcement Fund - related to the bureau's enforcement of the Fire Safety Standard and Firefighter Protection Act - 2009 PA 56 (SB 264) - establishing a requirement that cigarettes be self extinguishing ("fire-safe"). For FY 2010 this funding is added by HB 5409, which is currently pending in the Senate.	Restricted N/A	40,000
23. State Office of Administrative Hearings and Rules	FTEs 178.0	0.0
Reduces funding for Corrections hearings (\$348,000) and teacher tenure hearings (\$21,500) to align with the budget recommendations for the Department of Corrections and Department of Education. Additionally, individual fund sources are aggregated (IDG, Federal, Restricted, GF/GP) in order to provide SOAHR with the needed flexibility to properly allocate costs.	Gross \$24,470,700	(\$369,500)
	IDG \$12,778,600	(369,500)
	Federal 7,104,000	0
	Restricted 4,587,500	0
24. Information Technology - DMB/DIT Savings	Gross \$44,697,200	(\$48,400)
Realizes a small amount of savings related to the merger of the Department of Information Technology and the Department of Management and Budget, pursuant to EO 2009-55, effective March 21, 2010.	Federal 28,022,400	(48,400)
	Restricted 16,571,100	0
	GF/GP \$103,700	\$0
25. Fund Shifts and Excess Authorization	Gross N/A	(\$15,707,300)
Contains a number of fund shifts, based on appropriate cost allocation principles, and reduces excess spending authorization for line items and fund sources that have not been expended in recent years. The largest of these reductions is \$13.1 million from the UIA's Contingent Fund, which was increased by the May 2008 Legislative Transfer, to provide for sufficient spending authority for the UIA's interest payments on Title 12 advances. The MES Act provides that the Contingent Fund is "continuously appropriated" for the payment of Title 12 interest payments.	IDG N/A	(709,800)
	Federal N/A	(727,900)
	Restricted N/A	(14,269,600)

<u>Major Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 Year-to-Date</u>	<u>Conference Change From YTD</u>
26. Economic Adjustments	Gross	N/A	\$17,716,700
Includes funding increases related to employee salaries and wages (3% increase for classified employees); changes in FICA, retirement, and insurance; adjustments for expected workers' compensation claims; as well as changes in costs of rental payments for state-leased properties and building occupancy charges for state-owned properties. The economic adjustments account for the action by the Civil Service Commission on February 10, 2010 rejecting the anticipated pay increases for Non-exclusively Represented Employees (NEREs).	IDG	N/A	414,400
	Federal	N/A	10,631,000
	Local	N/A	700
	Private	N/A	99,400
	Restricted	N/A	6,066,100
	GF/GP	N/A	\$505,100
27. One-Time Federal Appropriations	Gross	\$102,891,600	(\$102,891,600)
Eliminates authorization for one-time federal funding appropriated in FY 2010 for the WIRED Initiative (\$1.2 million), ARRA WIA National Emergency Grant funds (\$41.8 million), carry-forward GEAR-UP program funds (\$146,200), ARRA State Energy Sector Partnership Grant funds (\$6.0 million), and ARRA Labor Market Information Improvement Grant funds (\$1.3 million), ARRA Energy Efficiency and Conservation Block Grants (\$30.0 million), ARRA Neighborhood Stabilization Program 2 funding (\$17.9 million), ARRA Electricity Utility Workforce Development funds (\$4.4 million), and DOE Pipeline Damage Prevention Program funds (\$100,000).	Federal	102,891,600	(102,891,600)

Major Boilerplate Changes From FY 2009-10

– General Sections –

Sec. 205. Hiring Freeze – DELETED

Prohibits DELEG from hiring new full-time classified civil service employees and from filling vacant state classified civil service positions unless exceptions to the freeze is granted by the state budget director.

Sec. 215. Policy Changes – DELETED

Requires DELEG to report on policy changes made to implement public acts; prohibits adopt of rules that have a disproportionate impact on small businesses.

Sec. 216. Appropriated Funds De-Aggregation – RETAINED

States intent that all part 1 funds sources not be aggregated into general categories, but be specifically identified as much as possible.

Sec. 217. Out-of-State Travel Restrictions – MODIFIED

Imposes restrictions on out of state travel by departmental employees, except when necessary by law, for the protection of health and safety, to realize budgetary savings or increase state revenue, to comply with federal requirements, to secure specialized training, or when financed by non-state funds. The **Conference Committee** deletes a provision allowing the state budget director to grant exceptions to the limitations on out-of-state travel ban, and incorporates Section 224's restriction on out of state traveling for professional development.

Sec. 219. Executive Branch Employee Communications with Legislature – DELETED

Prohibits disciplinary action against Executive employees that communicate with a legislator or legislative staff.

Sec. 220. Appropriation of Federal Pass-Through Funds – NEW

Allows DELEG to carry forward unexpended federal pass-through funds to local institutions that do not require additional state matching funds, and appropriated federal pass-through funds that do not require a state match. Also imposes a reporting requirement on DELEG.

Sec. 222. Government Efficiency Commission Recommendations – DELETED

Requires DELEG to review recommendations of the Commission on Governmental Efficiency.

Sec. 223. Contingency Appropriations – MODIFIED

Provides for contingency appropriations of \$45.0 million Federal (increased from \$31.0 million), \$31.0 million Restricted (increased from \$26.0 million), \$8.0 million Local (decrease from \$8.2 million), and \$600,000 Private. The amount of contingency funds is increased.

Sec. 224. Restrictions on Out-of-State Travel for Professional Development – DELETED

Prohibits more than one DELEG employee traveling out-of-state for training conferences unless funded by federal or private funds. The **Conference Committee** moved incorporated this section into Section 217.

Major Boilerplate Changes From FY 2009-10

Sec. 225. Report on Private Grants Received – MODIFIED

Requires DELEG to notify the Legislature of any private grant funds received within 10 days after receiving such funds. The **Conference Committee** adds a subsection requiring a report on State Energy Program funds received by the Bureau of Energy Systems.

Sec. 226. General Fund/General Purpose Lapse Report – RETAINED

Requires the department to submit a report, not later than October 15th, providing estimates of GF/GP lapses for departmental programs.

Sec. 228. Increased Payment Options – NEW

Allows the department to receive payment for licenses, fees, and permits via credit card and other electronic means of payment.

Sec. 231. Transparency Website/Employee Pay Report – MODIFIED

Requires the department to post on a publicly accessible website a listing of all expenditures made by the department in the fiscal year, and a description of the purpose of each expenditure. Also requires the DMB Recovery Office to post expenditure detail on ARRA funds. Also requires DELEG to report quarterly on the number of FTEs by pay status and civil service classification. The **Conference Committee** add the employment report, and incorporates Section 232.

Sec. 232. Transparency Website – RETAINED

Specifies that the department shall not expend more than \$10,000 to comply with the transparency website requirement in Section 231. This section is incorporated into Section 231. .

– Regulatory –

Sec. 301a. Fire Protection Grant Report – MODIFIED

Requires local units of government receiving fire protection grant assistance to submit a report to the department detailing how grant assistance is expended by the local unit, and also detailing the fire-related activities of the local unit on state property, and the cost of those activities. The **Conference Committee** adds a requirement on DELEG to provide local governments with a template to use when responding, and requires DELEG to submit a report to the legislature.

Sec. 302a. Fire Safe Cigarette Fine Revenue – NEW

Appropriates revenue received for the Cigarette Fire Safety Standard and Firefighter Protection Act Fund, created by 2009 PA 56 (fire-safe cigarettes). This fund receives civil fine revenue and is to be expended for fire safety and prevention programs.

Sec. 303. Elevator Fees – MODIFIED

Provides that elevator regulation fees collected by DELEG that remain unexpended at the close of the fiscal year shall be carried forward into the next fiscal year. The **Conference Committee** deletes a reporting requirement.

Sec. 304. Fees from Customized License Lists – MODIFIED

Provides that DELEG may make customized lists of nonconfidential information of individuals and entities licensed by the department. DELEG may impose a charge for compiling the lists. The **Conference Committee** deletes a reporting requirement.

Sec. 322. Real Estate Education Fund – DELETED

Allows real estate pre- and post-licensure education to be delivered through on-line courses by a community college, university, or private school; allows Real Estate Education Fund to be used for grants to educational providers to establish on-line courses available to students. The fund is established in the State License Fee Act, which directs that the fund be used "only for the operation of departmental programs related to education required of all licensees or applicants for licensure under article 25 of the occupational code."

Sec. 332. UI Computer System – MODIFIED

Requires the department to have a contract in place by April 11, 2011 to improve the UIA's computer system. The existing language requires the department to complete the RFP process for the upgrade of the UIA's computer system.

Sec. 333. UI Internet Claims – MODIFIED

Requires the department to work to increase the number of Internet-filed unemployment benefit claims (with a goal of 50% of UI claims being filed via the Internet) and requiring a quarterly report on the number of claims filed via the Internet. The **Conference Committee** removes the 50% goal.

Major Boilerplate Changes From FY 2009-10

Sec. 341. Ergonomics Rules Prohibited – RETAINED

Prohibits promulgation of ergonomics rules that are more stringent than voluntary federal guidelines. The section notes that the prohibition is in accordance with Attorney General Opinion No. 7225 (February 27, 2009), which says that the Governor's statement that the section is unenforceable doesn't invalidate it.

Sec. 342. CET GRANT – NEW

Requires the allocation of at least \$80,000 for workplace safety and health grants to non-profit organizations representing the aggregates industry in the state. [This section was included in prior year budgets, but vetoed last year.]

Sec. 351. SOAHR Decisions in Public Assistance Cases – DELETED

States legislative intent that the State Office of Administrative Hearings and Rules (SOAHR) develop a system to post administrative hearing decisions regarding public assistance on the Internet.

Sec. 352. Teacher Tenure Cases – DELETED

Requires SOAHR to report on the status of pending teacher tenure cases.

Sec. 361. Low-Income Energy Efficiency Assistance Program - MODIFIED

Establishes deadlines for application and award announcements; requires the Public Service Commission to report to the Legislature and state budget office on the distribution of funds. The **Conference Committee** adds language specifying that funds from unexpended grants may be carried forward in the subsequent fiscal years.

Sec. 366. METRO Authority – DELETED

States the legislature's intent to move the METRO Authority to the Public Service Commission.

Sec. 368. Regulatory Costs Report – RETAINED

Requires the department to provide a report to the legislature on the regulatory costs and activities of the Bureau of Commercial Service and the Bureau of Construction Codes.

Sec. 370. Liquor Law Enforcement Grant Report – MODIFIED

Requires local units of government receiving liquor law enforcement grant assistance (55% of retail liquor license revenue collected by the LCC returned to locals) to provide a report to the LCC on how those funds are spent, and also a report showing the liquor-related fees imposed and the amount of revenue generated from such fees. The **Conference Committee** adds a requirement that DELEG provide a local governments with a template to be used when submitting responses, and also require that DELEG submit a report summarizing responses.

Sec. 371. LCC Bootlegging Enforcement – NEW

Requires the LCC to coordinate its bootlegging enforcement activities with the enforcement activities of the Michigan State Police concerning tobacco taxes and other illegal cash transactions.

Sec. 372. Michigan Tax Tribunal Fees Report – DELETED

Requires the Michigan Tax Tribunal to develop a proposed schedule of fees to fund the MTT's activities, with the intent of having the fee schedule incorporated into the FY 2010-11 Executive Budget Recommendation.

– Office of Financial and Insurance Regulation –

Sec. 405. OFIR Expenditures – DELETED

Requires report of actual expenditures for last completed fiscal year for each division within OFIR.

Sec. 406. OFIR Credit Scoring – DELETED

Prohibits expending funds to implement a ban on credit scoring in insurance rate setting until the Legislature has authorized such a prohibition. The section also notes that the prohibition is in accordance with Attorney General Opinion No. 7225 (February 27, 2009), which says that the Governor's statement that the section is unenforceable doesn't invalidate it.

Sec. 407. Health Maintenance Organization Financial Filings – DELETED

Requires that OFIR provide copies of HMO quarterly and annual financial filings on its website.

– Housing and Community Development –

Boilerplate language related to the Michigan State Housing Development Authority and the Land Bank Fast Track Authority are transferred to the General Government budget bill (HB 5880), with their transfer to the Department of Treasury.

Major Boilerplate Changes From FY 2009-10

– Michigan Rehabilitation Services and Michigan Commission for the Blind –

Sec. 603. Local Match Requirements for Facilities Establishment Grants – RETAINED

Requires that local match for vocational rehabilitation facilities establishment grants not exceed 21.3% for the fiscal year.

Sec. 604. Independent Living Funds – MODIFIED

Existing language directs the use of GF/GP funding for the Centers for Independent Living (now eliminated). The **Senate** adds language that provides funds appropriated for independent living shall be used to support CILs in compliance with federal law and regulations, used by existing centers to serve underserved areas.

Sec. 615. Library Services for the Blind and Physically Handicapped – NEW

Carried over from language in prior-year HAL budgets, the section permits the department to enter into agreements to provide certain services to other agencies (state and local) and charge fees for these services.

– Career Education –

Sec. 704. After-School Partnership – NEW

Allows \$25,000 to be expended to implement the December 2003 recommendations of the Michigan After School Initiative. [This language has been included in the DELEG bill and other budget bills for the past several years. [The Governor vetoed this section last year.]

Sec. 710a. WIA Youth Grant Program – NEW

Allows DELEG to provide grants to non-profit organizations that offer programs to WIA-eligible youth focusing on entrepreneurship, work-readiness skills, job shadowing, and financial literacy.

Sec. 719. Jobs Bank Career Center – NEW

Allows DELEG to provide grant, of up to \$100,000, to support the creation of a career center, enhancing on-line job search services for displaced workers and employers.

Sec. 733. Activities Classification Structure – NEW

Moved from the Community College budget, this section requires DELEG to publish the Activities Classification Structure data book on or before March 1, 2011. The ACS provides data on tuition, enrollment, revenue, expenditures and other program data at each of the 28 community colleges in the state.

Sec. 734. North American Indian Tuition Waiver Report – NEW

Moved from the Community College budget, this section requires DELEG to compile a report on the NAITW program, which waives the tuition at community colleges for eligible North American Indians.

Sec. 735. Report on Associate's Degrees and Certificates – NEW

Moved from the Community College budget, this section requires DELEG to compile information on the types and number of associates degrees and other certificates granted by the colleges in the prior fiscal year.

– Workforce Development –

Sec. 802. Longitudinal Study of former Work First and JET Participants – MODIFIED

Requires a 3-year longitudinal study of former Work First and JET participants, and requires DELEG to submit information on certain data required to be collected. The **Conference Committee** deletes a requirement that information be collected on (1) the current hourly wage of those employed; (2) the number of individuals that earned certain wages; (3) the number of individual receiving tuition reimbursement from employers; (4) the number of individuals receiving other training benefits from employers; (5) whether the individuals have any children; and (6) whether the individuals feel that they are "better off" now that they are no longer receiving public assistance. Data would still be required on employment and wage characteristics of individuals.

Sec. 803. Report on JET Program Participants Referred to the MRS – DELETED

Requires a report on JET participants referred by the Department of Human Services to the Michigan Rehabilitation Service for appropriate vocational rehabilitation services for persons with disabilities. Staffing and funding for the program was eliminated in Part 1.

Sec. 804. Welfare-to-Work Non-custodial Parent Program – DELETED

Permits the department to utilize TANF funds on a non-custodial parent program, providing services to the non-custodial parents who are unemployed or underemployed and have (or may soon have) child support arrearages. Per BWT policy, beginning October 1, 2009 local Michigan Works Agencies were to stop receiving referrals of noncustodial parents to the JET program, and were to transition current NCP participants to other programs.

Major Boilerplate Changes From FY 2009-10

Sec. 813. Workforce Program Funding Earmark – NEW

Allocates \$200,000 from funding for the workforce training programs subgrantees line item to two grantees providing certain workforce development services.

Sec. 814. Focus: HOPE Career Prep Pilot Program – DELETED

Establishes legislative intent that DELEG work with Career Alliance (Genesee-Shiawassee Michigan Works! Agency) and other interested MWAs in implementing the career prep pilot program developed by Focus: HOPE.

Sec. 815. Workforce Funds for Libraries – RETAINED

Provides that funds distributed to local Michigan Works! Agencies may be used by the MWA for services provided to local libraries that serve as access points, service centers, or local partners serving high demand or underserved areas.

Sec. 816. Focus: HOPE Allocation – RETAINED

Allocates to Focus: HOPE \$5.9 million Federal funds from those funds appropriated in Part 1 for Workforce Programs Subgrantees.

Sec. 817. Gang Diversion – MODIFIED

States legislative intent to set aside some Workforce Investment Act (statewide activities) funds to support gang diversion activities and support services of local law enforcement and MWAs in Wyoming, Detroit, Benton Harbor, and Saginaw. The **Conference Committee** also adds Mt. Morris Charter Township.

Sec. 818. Workforce Program Funding Earmark – NEW

Allocates \$150,000 from the funds appropriated in the Workforce Training Program Subgrantees line item to an organization (1) involves prospective employers as community partners; (2) trains displaced workers in health care jobs; (3) provides training at no cost or low-cost to students; and (4) demonstrates a placement rate of at least 80%. [This section was vetoed last year.]

Sec. 821. Michigan Nursing Corps – MODIFIED

This section directs the operation of the Michigan Nursing Corps program, allowing funds to be used to provide financial assistance to train additional nursing academic and clinical faculty (expanding the capacity of nursing education in the state) and to provide accelerated nursing education programs for individuals with baccalaureate degrees in science field. The **Conference Committee** adds that MNC funds may be awarded to healthcare research, training, or development agencies to develop and implement programs in educational technologies, including simulation and other virtual educational methods in order to expand the capacity of nursing education programs in the state.

Sec. 831. No Worker Left Behind GF/GP Funding – DELETED

Directs the GF/GP appropriation for No Worker Left Behind to adult education, community colleges, and worker training. Specifies that local MWAs may place a priority on training programs accessible by individuals displaced from manufacturing and related auto-industry jobs. The GF/GP appropriation for the NWLB program was eliminated in Part 1.

– Capital Outlay –

Sec. 901. Lump-Sum Appropriations – NEW

Directs the allocation of lump-sum appropriations and provides for the availability of lump-sum appropriations for no more than three years. (This is related to the appropriation of private grant funds for renovations at the Michigan Commission for the Blind's Kalamazoo Training Center.)

Sec. 902. Capital Outlay Appropriation Carry-Forward – NEW

Provides for the carry forward of capital outlay funds. (This is related to the appropriation of private grant funds for renovations at the Michigan Commission for the Blind's Kalamazoo Training Center.)

FY 2011 DELEG - House Bill 5884 (S-1) CR-1, Conference Report
Changes from FY 2010 Year-to-Date Appropriation

	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
FY 2009-10 Year-to-Date Appropriation	\$1,534,321,400	\$29,294,800	\$1,022,389,300	\$15,921,000	\$5,314,300	\$406,811,600	\$54,590,400	4,740.0
Executive-proposed changes agreed to by the Senate								
1. OFIR - Regulatory Compliance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	5.0
2. OFIR - Securities Examination Cycle	\$646,500	\$0	\$0	\$0	\$0	\$646,500	\$0	10.0
3. OFIR - Securities Investor Education and Training Fund	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	\$0	0.0
4. MPSC - Intrastate Access Charge Restructuring	\$440,000	\$0	\$0	\$0	\$0	\$440,000	\$0	4.0
5. Occupational Regulation - Construction Lien Fund	(\$1,846,500)	\$0	\$0	\$0	\$0	(\$1,846,500)	\$0	0.0
6. Occupational Regulation - Fire Safety Standards Fund	\$40,000	\$0	\$0	\$0	\$0	\$40,000	\$0	0.0
7. BWUC - Unemployment Programs	\$13,400,000	\$0	\$13,400,000	\$0	\$0	\$0	\$0	0.0
8. SOAHR - Corrections ALJs	(\$348,000)	(\$348,000)	\$0	\$0	\$0	\$0	\$0	0.0
9. SOAHR - Teacher Tenure	(\$21,500)	(\$21,500)	\$0	\$0	\$0	\$0	\$0	0.0
10. Information Technology - DMB/DIT Consolidation	(\$48,400)	\$0	(\$48,400)	\$0	\$0	\$0	\$0	0.0
11. Jobs, Education and Training (MRS provided services)	(\$15,406,400)	(\$15,406,400)	\$0	\$0	\$0	\$0	\$0	(57.0)
12. Workforce Training Subgrantees - Trade Adjustment Assistance	\$57,000,000	\$0	\$57,000,000	\$0	\$0	\$0	\$0	0.0
13. Workforce Training Subgrantees - No Worker Left Behind	(\$4,500,000)	\$0	\$0	\$0	\$0	\$0	(\$4,500,000)	0.0
14. Capital Outlay - Renovation MCB Kalamazoo Training Center	\$770,000	\$0	\$0	\$0	\$770,000	\$0	\$0	0.0
15. Commission for the Blind - Additional Federal Funding	\$1,030,000	\$0	\$1,030,000	\$0	\$0	\$0	\$0	0.0
16. Welfare-to-Work Reductions	(\$10,409,800)	\$0	(\$7,600,000)	\$0	\$0	\$0	(\$2,809,800)	0.0
17. Transfer MSHDA to Treasury per EO 2010-2	(\$211,221,600)	\$0	(\$156,944,000)	\$0	\$0	(\$54,277,600)	\$0	(289.0)
18. Transfer LBFTA to Treasury per EO 2010-2	(\$1,914,500)	\$0	\$0	\$0	\$0	(\$1,914,500)	\$0	(6.0)
19. Michigan Nursing Corps	\$200,000	\$0	\$500,000	\$0	\$0	\$0	(\$300,000)	0.0
20. Workforce Training Subgrantees (to MNC)	(\$500,000)	\$0	(\$500,000)	\$0	\$0	\$0	\$0	0.0
21. Executive Direction - Eliminate Insurance Advocate Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0
22. LIEEF - Incurease authorization for MichCon assessment	\$5,000,000	\$0	\$0	\$0	\$0	\$5,000,000	\$0	0.0
23. Workers Compensation Agency reduction	(\$321,500)	\$0	\$0	\$0	\$0	\$0	(\$321,500)	0.0
24. Fund Shifts, Excess Authorization, and Other Adjustments	(\$13,590,500)	(\$687,000)	(\$120,000)	\$0	\$0	(\$12,977,200)	\$193,700	0.0
25. Economic Adjustments	\$17,716,700	\$414,400	\$10,631,000	\$99,400	\$700	\$6,066,100	\$505,100	0.0
26. American Recovery and Reinvestment Act funds (one-time)	(\$101,445,400)	\$0	(\$101,445,400)	\$0	\$0	\$0	\$0	(1.0)
27. Enhanced Enforcement of Liquor Bootlegging	\$1,000,000	\$0	\$0	\$0	\$0	\$1,000,000	\$0	6.0
28. OFIR - Premium Review and Consumer Assistance Grants	\$2,000,000	\$0	\$2,000,000	\$0	\$0	\$0	\$0	6.0
29. Michigan Rehabilitation Service Increase	\$250,000	\$0	\$0	\$0	\$0	\$0	\$250,000	0.0
30. State Energy Program	\$5,000,000	\$0	\$5,000,000	\$0	\$0	\$0	\$0	0.0
31. Insurance Advocate Funding	(\$62,300)	\$0	\$0	\$0	\$0	(\$62,300)	\$0	0.0
Total	\$1,278,178,200	\$13,246,300	\$845,292,500	\$16,020,400	\$6,085,000	\$349,926,100	\$47,607,900	4,418.0
Changes from FY 2009-10 Appropriation	(\$256,143,200)	(\$16,048,500)	(\$177,096,800)	\$99,400	\$770,700	(\$56,885,500)	(\$6,982,500)	(322.0)
Percentage Change from FY 2010 YTD Appropriation	-16.7%	-54.8%	-17.3%	0.6%	14.5%	-14.0%	-12.8%	-6.8%

Note: The FY 2009-10 YTD appropriation includes supplementals, legislative transfers, contingency transfers, and Executive Order actions through September 10, 2010

House Bill 5884, Conference Report: Funding Categories by Line Item

	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Sec. 102. Departmentwide Administration								
Unclassified Salaries	\$4,625,200	\$0	\$669,500	\$0	\$0	\$3,955,700	\$0	58.5
Executive Director Programs	\$5,559,500	\$0	\$2,533,700	\$0	\$0	\$2,554,000	\$471,800	49.0
Property Management	\$11,161,300	\$0	\$4,777,100	\$0	\$0	\$6,143,100	\$241,100	0.0
Rent	\$12,675,800	\$0	\$8,156,500	\$127,500	\$0	\$4,266,600	\$125,200	0.0
Workers' Compensation	\$851,700	\$0	\$376,700	\$3,800	\$0	\$431,000	\$40,200	0.0
Special Project Advances	\$940,000	\$0	\$0	\$0	\$940,000	\$0	\$0	0.0
Administrative Services	\$10,534,600	\$300,000	\$3,381,700	\$0	\$0	\$6,036,100	\$816,800	104.0
Total Departmentwide Administration	\$46,348,100	\$300,000	\$19,895,200	\$131,300	\$940,000	\$23,386,500	\$1,695,100	211.5
Sec. 103. Office of Financial and Insurance Regulation								
Administration	\$7,136,000	\$0	\$0	\$0	\$0	\$7,136,000	\$0	35.0
Regulatory Compliance and Consumer Assistance	\$18,068,200	\$0	\$2,000,000	\$0	\$0	\$16,068,200	\$0	110.0
Financial Evaluation	\$33,212,600	\$0	\$50,400	\$0	\$0	\$33,162,200	\$0	225.0
Total OFIR	\$58,416,800	\$0	\$2,050,400	\$0	\$0	\$56,366,400	\$0	370.0
Sec. 104. Public Service Commission and Energy Systems								
Public Service Commission	\$26,380,500	\$0	\$439,000	\$0	\$0	\$25,941,500	\$0	190.0
METRO Authority	\$334,900	\$0	\$0	\$0	\$0	\$334,900	\$0	5.0
Bureau of Energy Systems	\$12,068,600	\$0	\$9,671,600	\$0	\$30,000	\$2,367,000	\$0	18.0
TOTAL MPSC-BES	\$38,784,000	\$0	\$10,110,600	\$0	\$30,000	\$28,643,400	\$0	213.0
Sec. 105. Liquor Control Commission								
Management Support Services	\$3,670,700	\$0	\$0	\$0	\$0	\$3,670,700	\$0	28.0
Liquor Licenseing and Enforcement	\$14,178,600	\$0	\$0	\$0	\$0	\$14,178,600	\$0	130.0
Total LCC	\$17,849,300	\$0	\$0	\$0	\$0	\$17,849,300	\$0	158.0
Sec. 106. Occupational Regulation								
Code Enforcement	\$13,726,700	\$0	\$0	\$0	\$0	\$13,726,700	\$0	120.0
Boiler Inspection Program	\$2,883,000	\$0	\$0	\$0	\$0	\$2,883,000	\$0	25.0
Bureau of Fire Services	\$5,559,000	\$100,000	\$788,000	\$0	\$0	\$2,071,000	\$2,600,000	57.0
Elevator Inspection Program	\$3,102,200	\$0	\$0	\$0	\$0	\$3,102,200	\$0	30.0
Commercial Services	\$18,384,600	\$0	\$0	\$0	\$0	\$18,384,600	\$0	170.0
Manufactured Housing and Land Resources Program	\$2,651,600	\$0	\$0	\$0	\$0	\$2,651,600	\$0	22.0
Property Development Group	\$1,658,300	\$0	\$0	\$0	\$0	\$1,658,300	\$0	11.0
Total Occupational Regulation	\$47,965,400	\$100,000	\$788,000	\$0	\$0	\$44,477,400	\$2,600,000	435.0

House Bill 5884, Conference Report: Funding Categories by Line Item

Sec.107. Michigan Occupational Safety and Health	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Occupational Safety and Health	\$27,750,500	\$0	\$12,946,600	\$0	\$0	\$14,803,900	\$0	229.0
Total MIOSHA	\$27,750,500	\$0	\$12,946,600	\$0	\$0	\$14,803,900	\$0	229.0

Sec. 108. Bureau of Workers and Unemployment Compensat	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Administration	\$9,417,400	\$0	\$0	\$0	\$0	\$2,790,400	\$6,627,000	96.6
Board of Magistrates and Appellate Commission	\$2,881,000	\$0	\$0	\$0	\$0	\$2,113,400	\$767,600	19.4
Wage and Hour Division	\$3,346,800	\$0	\$0	\$0	\$0	\$2,991,800	\$355,000	35.0
Insurance Funds Administration	\$4,816,700	\$0	\$0	\$0	\$0	\$4,816,700	\$0	28.0
Supplemental Benefit Fund	\$820,000	\$0	\$0	\$0	\$0	\$820,000	\$0	0.0
Unemployment Programs	\$135,180,200	\$0	\$135,180,200	\$0	\$0	\$0	\$0	1,302.7
Advocacy Assistance Program	\$1,500,000	\$0	\$0	\$0	\$0	\$1,500,000	\$0	0.0
Expanded Fraud Control Program	\$3,428,400	\$0	\$3,428,400	\$0	\$0	\$0	\$0	33.2
Special Audit and Collections Program	\$2,993,200	\$0	\$2,993,200	\$0	\$0	\$0	\$0	34.0
Training Program for Agency Staff	\$1,821,400	\$0	\$1,821,400	\$0	\$0	\$0	\$0	2.1
Total BWUC	\$166,205,100	\$0	\$143,423,200	\$0	\$0	\$15,032,300	\$7,749,600	1,551.0

Sec. 109. State Office of Administrative Hearings and Rules	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Administrative Hearings and Rules	\$24,910,100	\$12,846,300	\$7,296,900	\$0	\$0	\$4,766,900	\$0	178.0
Total SOAHR	\$24,910,100	\$12,846,300	\$7,296,900	\$0	\$0	\$4,766,900	\$0	178.0

Sec. 110. Information Technology	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Information Technology Services and Projects	\$42,296,300	\$0	\$28,458,300	\$0	\$0	\$13,734,300	\$103,700	0.0
Total Information Technology	\$42,296,300	\$0	\$28,458,300	\$0	\$0	\$13,734,300	\$103,700	0.0

Sec. 111. Workforce Development	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Employment Services	\$49,389,600	\$0	\$43,131,200	\$4,405,300	\$0	\$1,853,100	\$0	246.0
Labor Market Information	\$6,564,400	\$0	\$6,564,400	\$0	\$0	\$0	\$0	52.0
Michigan Rehabilitation Services	\$73,641,400	\$0	\$60,859,400	\$2,684,500	\$816,000	\$1,401,800	\$7,879,700	513.5
Workforce Programs Administration	\$13,176,000	\$0	\$12,646,800	\$0	\$0	\$0	\$529,200	61.0
Total Workforce Development	\$142,771,400	\$0	\$123,201,800	\$7,089,800	\$816,000	\$3,254,900	\$8,408,900	872.5

Sec. 112. Career Education	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Postsecondary Education	\$3,038,300	\$0	\$1,556,200	\$0	\$0	\$762,000	\$720,100	14.0
Adult Education	\$2,570,700	\$0	\$2,386,000	\$0	\$0	\$0	\$184,700	16.0
Total Education	\$5,609,000	\$0	\$3,942,200	\$0	\$0	\$762,000	\$904,800	30.0

House Bill 5884, Conference Report: Funding Categories by Line Item

Sec. 113. Department Grants	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Adult Basic Education	\$20,000,000	\$0	\$20,000,000	\$0	\$0	\$0	\$0	0.0
Carl D. Perkins	\$19,000,000	\$0	\$19,000,000	\$0	\$0	\$0	\$0	0.0
GEAR-UP Program Grants	\$3,000,000	\$0	\$3,000,000	\$0	\$0	\$0	\$0	0.0
Workforce Training Programs Subgrantees	\$296,153,600	\$0	\$296,153,600	\$0	\$0	\$0	\$0	0.0
Personal Assistance Services	\$459,500	\$0	\$0	\$0	\$0	\$0	\$459,500	0.0
Vocational Rehabilitation Customer Support	\$57,986,700	\$0	\$44,691,300	\$8,278,300	\$300,000	\$1,000,000	\$3,717,100	0.0
Independent Living	\$4,908,600	\$0	\$4,738,600	\$0	\$100,000	\$0	\$70,000	0.0
Welfare-to-Work programs	\$96,923,800	\$0	\$81,699,000	\$0	\$0	\$0	\$15,224,800	0.0
Fire Protection Grants	\$10,910,500	\$0	\$0	\$0	\$0	\$10,910,500	\$0	0.0
Low-Income Energy Efficiency Assistance	\$95,000,000	\$0	\$0	\$0	\$0	\$95,000,000	\$0	0.0
Liquor Law Enforcement Grants	\$6,600,000	\$0	\$0	\$0	\$0	\$6,600,000	\$0	0.0
Remonumentation Grants	\$5,300,000	\$0	\$0	\$0	\$0	\$5,300,000	\$0	0.0
Private Grant Programs	\$3,000,000	\$0	\$0	\$0	\$3,000,000	\$0	\$0	0.0
Michigan Nursing Corps	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	0.0
Subregional State Aid to Libraries for Services to the Blind	\$451,800	\$0	\$0	\$0	\$0	\$0	\$451,800	0.0
Total Department Grants	\$620,194,500	\$0	\$469,782,500	\$8,278,300	\$3,400,000	\$118,810,500	\$19,923,200	0.0

Sec. 114. Boards, Authorities, and Commissions	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
MES Board of Review	\$2,378,700	\$0	\$2,378,700	\$0	\$0	\$0	\$0	18.0
Commission on Spanish-Speaking Affairs	\$267,300	\$0	\$0	\$0	\$0	\$0	\$267,300	2.0
Commission on Disability Concerns	\$1,190,500	\$0	\$666,200	\$0	\$18,700	\$93,400	\$412,200	7.0
Commission for the Blind	\$26,819,700	\$0	\$20,341,900	\$521,000	\$110,300	\$545,200	\$5,301,300	107.0
Utility Consumer Representation Program	\$950,000	\$0	\$0	\$0	\$0	\$950,000	\$0	0.0
Youth Low Vision Program	\$241,800	\$0	\$0	\$0	\$0	\$0	\$241,800	0.0
Tax Tribunal Operations	\$2,867,900	\$0	\$0	\$0	\$0	\$2,867,900	\$0	15.0
Employment Relations and Labor Relations	\$3,591,800	\$0	\$10,000	\$0	\$0	\$3,581,800	\$0	21.0
Total BAC	\$38,307,700	\$0	\$23,396,800	\$521,000	\$129,000	\$8,038,300	\$6,222,600	170.0

Sec. 115. Capital Outlay	Gross	IDG	Federal	Local	Private	Restricted	GF/GP	FTEs
Kalamazoo Training Center Renovations	\$770,000	\$0	\$0	\$0	\$770,000	\$0	\$0	0.0
Total Capital Outlay	\$770,000	\$0	\$0	\$0	\$770,000	\$0	\$0	0.0

Grand Total	\$1,278,178,200	\$13,246,300	\$845,292,500	\$16,020,400	\$6,085,000	\$349,926,100	\$47,607,900	4,418.0
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