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FY 2008-09 Year-to-Date Gross Appropriation \$148,031,000

Changes from FY 2008-09 Year-to-Date:

Items Included by the Senate and House

- 1. **Community Development Block Grant Funding ARRA.** Governor, Senate, and House did not include the one-time ARRA funding for this program. (9,300,000)
- 2. **Economic Adjustments.** Governor, Senate, and House included these adjustments. 232,600
- 3. **Other Adjustments.** 246,800

Conference Agreement on Items of Difference

- 4. **Economic Development Job Training (EDJT) Grants.** Governor restored the \$1.2 million reduction from E.O. 2009-22 and \$149,000 reduction from E.O. 2008-21. Senate reduced the line by 10.0% from the Governor to \$6,052,000. House reduced by 7.5% to \$4,706,500 from Governor. Conference reduced by \$700 from the House to \$4,705,800. (998,800)
- 5. **21st Century Jobs Fund.** Governor restored the program from \$52,950,000 to \$75.0 million. FY 2008-09 program was reduced by \$22,050,000 to balance the budget. Senate decreased the line further to \$32,420,300. House reduced the line to \$62.0 million. Conference included target reduction and reduced line to reflect \$9.0 million appropriation for Cobo included in the Convention Facility Act. (24,450,000)
- 6. **Defense Contract Coordination Center.** Senate created a new line item to fund this program using 21st Century Jobs Trust Fund dollars. House did not include. Conference did not include line item. 0
- 7. **Business Incubators.** Governor eliminated the \$1.25 million appropriation for this competitive program for eligible recipients in Berrien, Genesee, Macomb, Washtenaw, and Wayne counties. Senate included a \$100 placeholder. House increased to \$1.6 million. Conference included \$1.3 million. (300,000)

The Governor vetoed \$350,000 boilerplate set asides for Oakland and Isabella counties.

- 8. **Cultural and Economic Development.** Governor transferred 2.0 FTEs and \$335,200 GF/GP from History, Arts, and Libraries. Senate and House did not include this line. Included in S.B. 247. E.O. 2009-36 transferred into MSHDA. Conference concurred with Governor. 0
- 9. **Arts and Cultural Planning Grants.** Governor transferred 5.0 FTEs and \$499,900 from the Department of History, Arts, and Libraries for the administration, \$1,822,000 (\$1,000,000 GF/GP and \$822,000 Federal) for planning grants for construction projects at arts and cultural institutions. Senate and House included in S.B. 247. Conference included funding but reduced by \$64,500 and will allow Department to design new program. 2,267,400
- 10. **10.0% Administration Reduction.** Senate reduced all administrative line items 10.0% below the Governor. House reduced by 2.3% below the Governor. Conference reduced by 6.8%. (1,151,900)
- 11. **Michigan Promotion.** Senate reduced this line by 10.0%. House reduced by 5.5%. Conference concurred with House. Line is funded at \$5,402,800. (314,700)

Total Changes (33,768,600)

FY 2009-10 Enacted Gross Appropriation \$114,262,400

Changes from FY 2008-09 Year to Date:Items Included by the Senate and House

1. **Deleted Sections.** The Governor deleted the following sections:
 - a. **Regional Planning Commission.** Language requires that the Department contract with regional planning commissions for technical assistance to member municipalities. Senate and House concurred. (Sec. 1015)
 - b. **Promote Agricultural Products.** Language requires that the Fund collaborate with the Department of Agriculture to promote business development of Michigan Agriculture products in accordance with Chapter 8B of PA 270 of 1984 (the MSF Act). Senate and House concurred. (Sec. 1019)
 - c. **Tourism Promotion.** Language refers back to the tourism promotion and business marketing appropriation in P.A. 98 of 2008. Senate and House concurred. (Sec. 1021)
 - d. **SBIR/STTR Grant and Loan Program.** Language requires a set aside for this grant program of \$1.4 million from the 21st Century Jobs program. Senate and House retained current year language. (Sec. 1024)
 - e. **Michigan Worker Preference.** Language states legislative intent that tax breaks or other incentives are awarded to companies that give preference to Michigan workers. Senate and House concurred. (Sec. 1029)

Conference Agreement on Items of Difference2. **Deleted Sections:**

- a. **Audit on Jobs Claims.** Language requires an audit on jobs claims from firms receiving financial or tax incentives from the State. Senate retained current year language. House deleted. Conference concurred with House. (Sec. 1016)
- b. **Lakeshore Advantage.** Language requires a set aside from the 21st Century Jobs Program of \$3.0 million for this organization. Senate retained current year language. House concurred with Governor. Conference included language but changed shall to may. (Sec. 1027)
- c. **Business Incubator Program.** Language describes the parameters of this competitive grant program. Senate changed language to allow distribution of funds to those incubators that received awards in the FY 2008-09 competitive process. House added Detroit and Oakland County. Conference language included Detroit and Oakland County as Tier 1 incubators eligible for \$250,000 per entity, Tier 2 incubators are eligible for awards as funds are available pro rated for a maximum of \$100,000 per entity. Tier 2 includes incubator in the counties of Houghton, Ingham, Isabella, Kalamazoo, Kent, Macomb, Muskegon, and Washtenaw. (Sec. 1034)

The Governor vetoes Oakland and Isabella counties.

3. **EDJT Grants.** Governor made the following changes: Renamed the program the "Economic Diversification Skills Training Program"; deleted the maximum match rate for incumbent worker training program grants; deleted the prohibition against funding school pupils or college students; expanded uses of the funds to include: participation in a degree program at a community college or university related to high technology activities, job training curriculum development, reimbursing wages for participants, training necessary to receive a certification for a business to remain competitive, consulting services for businesses interested in expanding, and recruitment assistance for certain types of positions. Deleted language regarding the set asides for aerospace certification grants and Mack Alive. Senate retained current year language except for concurring on the deletion of Mack Alive. Senate also reduced the allocation for aerospace to \$250,000 and allocated all the funds to the Michigan aerospace manufacturers association for assistance and promotion of the industry. House concurred with Governor. Conference maintained current name, concurred with most of House but retained Senate language on Aerospace. (Sec. 1002)
4. **Arts and Cultural Planning Grants.** Governor added language describing this new grant program. The language specifies that planning grants would be awarded for assisting in the completion of program statements and schematic planning documents for the remodeling, repair, renovation, or construction of arts and cultural institutions. Eligible recipients would be counties, cities, villages, townships, community foundations, and nonprofit organizations operating arts institutions. Establishes a \$1,000 application fee. Recommended projects will be submitted to the State budget director. Total cost of the projects cannot exceed \$100.0 million. Debt service for bonds issued under this program shall be paid by annual appropriations. Senate and House included in S.B. 247. Conference changed language to allow Council to redesign program with reduced funding. Report on program by December 31 with grant awards by April 30.
5. **Film Office Report.** Senate changed the current year language by adding to the contents of the report information on tax credits provided by type of tax credit or loan, the amount of expenditures by production eligible for a credit for personnel expenditures, goods, services, whether the credits were awarded to a Michigan entity, and a breakout of jobs created by full-time, part-time, and temporary positions. House retained current language. Conference modified Senate language. (Sec. 1032)