

**Summary: Conference Report
HISTORY, ARTS, AND LIBRARIES
FY 2004-05 House Bill 5519 (S-1) CR-1**



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	FY 2003-04 YTD (as of 2/12/04)	Revised Executive	House	Senate	Conference	Difference: Conference from FY 2003-04 YTD	
						Amount	%
IDG/IDT	\$137,500	\$139,000	\$139,000	\$138,800	\$139,000	\$1,500	1.1
Federal	9,322,600	8,151,300	8,151,300	8,151,300	8,151,300	(1,171,300)	(12.6)
Local	0	0	0	0	0	0	0.0
Private	577,400	577,400	577,400	577,400	577,400	0	0.0
Restricted	2,308,800	2,412,400	2,412,400	2,409,200	2,412,400	103,600	4.5
GF/GP	44,201,700	47,330,000	47,463,100	45,861,100	45,813,500	1,611,800	3.7
Gross	\$56,548,000	\$58,610,100	\$58,743,200	\$57,137,800	\$57,093,600	\$545,600	1.0
FTEs	254.5	238.0	238.0	238.0	238.0	(16.5)	(6.5)

Overview

The Department of History, Arts, and Libraries administers programs in four major areas: arts and cultural affairs, which includes administration of Michigan's Arts and Cultural Grants program; Mackinac Island State Park Commission, which oversees operational activities at the Mackinac Island State Park, the Michilimackinac State Park, and the Mill Creek State Park; historical program, which includes historical museum system, historical publications, archaeological, and lighthouse preservation activities; and library services, providing reference services to the public and Legislative, Executive, and Judicial branches of state government, as well as assisting public libraries statewide.

Major Budget Changes from

FY 2003-04 YTD Appropriations:

1. Preservation and Access for Michigan Project - NEW

Executive proposed new funding to digitize materials currently in the possession of libraries in the state and to preserve, store, and make these digitized images available via the Michigan Electronic Library (MEL). The subject materials are to be significant in the State's history, the only existing copies of unique items, or of broad interest to the citizens of Michigan. An evaluation group comprised of representatives of libraries and universities will decide on items that meet the criteria. **House** concurred with Executive. **Senate** reduced by \$1,175,000 GF/GP. The **Conference Committee** funds at \$965,000.

	<u>Executive</u>	<u>House</u>	<u>Senate</u>	<u>Conf.</u>
Gross	\$1,500,000	\$1,500,000	\$325,000	\$965,000
GF/GP	\$1,500,000	\$1,500,000	\$325,000	\$965,000

**Major Budget Changes from
FY 2003-04 YTD Appropriations:**

		<u>Executive</u>	<u>House</u>	<u>Senate</u>	<u>Conf.</u>
2. Detroit Public Library					
In FY 2003-04 the Detroit Public Library received federal Reed Act funding in the amount of \$1.0 million to provide on-line access to resources for unemployed Michigan residents seeking unemployment information, job development tools and skills building materials. FY 2003-04 is the last year these resources are available. The Executive Recommendation included a reduction of federal support in FY 2004-05 but provides for a like amount of GF/GP. The House concurs but reduces the amount to \$500,000 GF/GP. The Senate removes all funding. The Conference Committee concurs with the Senate.	Gross	\$0	(\$500,000)	(\$1,000,000)	(\$1,000,000)
	Fed	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
	GF/GP	\$1,000,000	\$500,000	\$0	\$0
3. Grand Rapids Public Library					
In FY 2003-04 the Grand Rapids Public Library received federal Reed Act funding in the amount of \$125,000 to provide on-line access to resources for unemployed Michigan residents seeking unemployment information, job development tools and skills building materials. FY 2003-04 is the last year these resources are available. The Executive Recommendation includes a reduction of federal support in FY 2004-05 but provides for a like amount of GF/GP. The House concurs but reduces the GF/GP amount by \$25,000. The Senate removes all funding. The Conference Committee concurs with the Senate.	Gross	\$0	(\$25,000)	(\$125,000)	(\$125,000)
	Fed	(125,000)	(125,000)	(125,000)	(125,000)
	GF/GP	\$125,000	\$100,000	\$0	\$0
4. State Aid to Libraries					
The House increases the <i>State Aid to Libraries</i> appropriation line by \$405,000. The Senate adds \$100,000 to the House amount. The Conference Committee includes no additional funding.	Gross	\$0	\$405,000	\$505,000	\$0
	GF/GP	\$0	\$405,000	\$505,000	\$0
6. Book Distribution Centers					
House provides an additional \$20,000 over FY 2003-04 for the two book distribution service organizations. Boilerplate in Sec. 607 details how the gross amount of \$327,500 shall be split. Senate concurs but reduces by \$100 GF/GP to create a point of difference. The Conference Committee concurs with the House.	Gross	\$0	\$20,000	\$19,900	\$20,000
	GF/GP	\$0	\$20,000	\$19,900	\$20,000
7. Reduction to Information Technology					
The Senate removes 7% from all funding sources within the <i>Information Technology Services and Projects</i> line. The Conference Committee adopts the target agreement recommendation of a \$16,500 GF/GP reduction representing certain efficiencies.	Gross	\$0	\$0	(\$125,000)	(\$16,500)
	IDG	0	0	(200)	0
	Restr	0	0	(3,200)	0
	GF/GP	\$0	\$0	(\$68,100)	(\$16,500)
8. Arts and Cultural Grants					
No changes recommended by the Executive or House . The Senate adds \$100,000. The Conference Committee concurs with the House.	Gross	\$0	\$0	\$100,000	\$0
	GF/GP	\$0	\$0	\$100,000	\$0

Major Budget Changes from

FY 2003-04 YTD Appropriations:

		<u>Executive</u>	<u>House</u>	<u>Senate</u>	<u>Conf.</u>
9. Historical Grants	Gross	\$0	\$0	\$40,000	\$35,000
The Senate creates a new appropriation line called <i>Historical Grants</i> to provide funding for Michigan History Days (\$25,000) and the Arenac County Historical Society Charity Island Lighthouse (\$15,000). See Sec. 509 of boilerplate. The Conference Committee concurs with the Senate, but reduces lighthouse piece to \$10,000.	GF/GP	\$0	\$0	\$40,000	\$35,000
10. \$100 GF/GP Points of Difference	Gross	\$0	\$0	(\$1,300)	\$0
The Senate creates a \$100 difference in each line with GF/GP funding, excepting the <i>Unclassified Salaries</i> line and the <i>Film Office</i> line. The Conference Committee did not include.	GF/GP	\$0	\$0	(\$1,300)	\$0

Major Boilerplate Changes from FY 2003-04:

Sec. 217. Contingency Fund Language – NEW/DELETED

The **Executive** and **House** concurred on new language that authorizes the Department to receive amounts not to exceed \$1.5 million in federal, \$1.0 million in state restricted, \$150,000 in local, and \$1.0 million in private contingency funding; requires that this funding be transferred to another line item via the legislative transfer process in order to be available for expenditure. The **Senate** does not include. The target agreement mandated that the language not be included. The **Conference Committee** followed this direction.

Sec. 217. Travel Limitations – NEW

The **Senate** includes new language that excludes travel out of state and limits FY 2004-05 travel expenditures to 50% of FY 2003-04 travel expenditures. The target agreement mandated new language which was included in the **Conference Report**.

Sec. 218. Supplemental Fund Sourcing – NEW

The **Senate** includes intent language that the legislature will explore supplemental funding for the Department. The **Conference Committee** concurred.

Sec. 410(14). Discretionary Grant Program Limitations – NEW

New **Senate** language requires that discretionary grant program funding only be used for dues membership in the non-profit Midwest Regional Art Organization. The **Conference Committee** did not include.

Sec. 410(15). Unencumbered Arts Grants Funding Report – NEW

New **Senate** language requires that by August 1 the Department will provide a report to the House and Senate appropriations subcommittees on History, Arts and Libraries on all unexpended or unencumbered grant funding available. The Council shall not redistribute any of these funds during the fiscal year without a 10 day notice to these committees. The **Conference Committee** modified to say that the subcommittee chairs would receive the report.

Sec. 509. Historical Grants – NEW

Senate includes language that requires \$25,000 for Michigan History Day and \$15,000 for the Arenac County Historical Society for the Charity Island Lighthouse be allocated from the *Historical Grants* appropriation line in part 1. The **Conference Committee** modified so that the lighthouse program be funded at \$10,000.

Sec. 609. Digitization Project Language – NEW/MODIFIED

The **House** and **Executive** concurred on new language which details how the Preservation and Access for Michigan Project will be implemented. It outlines what types of materials will be digitized and accessed through the electronic library. **Senate** modifies to include a request for an equitable geographic distribution of these funds and that no recipient shall receive more than 20% of the total appropriation. The **Conference Committee** increases the cap from 20% to 30%.