

HISTORY, ARTS, AND LIBRARIES FY 2008-09 BUDGET

Summary: House Bill 5804 (H-1) as passed by the House



Analyst: Mark Wolf

	FY 2007-08 YTD	FY 2008-09 Executive	FY 2008-09 House	Difference: House From FY 2007-08 YTD		Difference: House From Executive	
				Amount	%	Amount	%
IDG/IDT	\$139,200	\$668,600	\$668,600	\$529,400	380.3	\$0	0.0
Federal	7,307,400	7,507,400	7,507,400	200,000	2.7	0	0.0
Local	0	200,000	200,000	200,000	N/A	0	0.0
Private	112,400	312,400	312,400	200,000	177.9	0	0.0
Restricted	2,645,600	3,979,800	3,979,800	1,334,200	50.4	0	0.0
GF/GP	39,298,300	40,111,700	44,390,700	5,092,400	13.0	4,279,000	10.7
Gross	\$49,502,900	\$52,779,900	\$57,058,900	\$7,556,000	15.3	\$4,279,000	8.1
FTEs	236.0	233.0	233.0	(3.0)	(1.3)	0.0	0.0

Note: FY 2007-08 figures reflect supplementals and Executive Order (EO) actions through February 7, 2008.

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 Issues

<u>Major Budget Changes From FY 2007-08 YTD</u>		FY 2007-08 YTD	Exec Rec Change From YTD	House Change From YTD
1. Arts and Cultural Affairs Grants	Gross	\$7,754,000	\$242,000	\$2,496,000
Adds GF/GP funding for arts and cultural grants and adjusts fund sources.	Federal	700,000	(28,000)	(28,000)
	Restricted	0	20,000	20,000
	GF/GP	\$7,054,000	\$250,000	\$2,504,000
2. Arts and Cultural Affairs Administration	FTEs	5.0	0.0	0.0
Increases funding for MCACA administration through additional federal funds, as permitted by the NEA and realization of HAL Fund revenue (arts grants application fees).	Gross	\$434,400	\$95,800	\$95,800
	Federal	0	28,000	28,000
	Restricted	0	80,000	80,000
	GF/GP	\$434,400	(\$12,200)	(\$12,200)
3. Michigan History Day	Gross	\$25,000	(\$25,000)	\$0
Retains GF/GP funding for the Michigan History Day program.	GF/GP	\$25,000	(\$25,000)	\$0
4. State Aid to Libraries	Gross	\$10,000,000	\$0	\$2,000,000
Increases state aid to libraries	GF/GP	\$10,000,000	\$0	\$2,000,000
5. History, Arts, and Libraries Fund	Gross	N/A	\$788,000	\$788,000
Appropriates funds from the HAL Fund for various line items in part 1 of the bill. Previously, the HAL Fund has been appropriated in boilerplate.	GF/GP	N/A	\$788,000	\$788,000
6. Museum Store Operations	FTEs	N/A	4.0	4.0
Adds line item and deduct for the museum stores.	Gross	N/A	\$501,500	\$501,500
	Restricted	N/A	501,500	501,500

<u>Major Budget Changes From FY 2007-08 YTD</u>		<u>FY 2007-08 YTD</u>	<u>Exec Rec Change From YTD</u>	<u>House Change From YTD</u>
7. Cultural Economic Development	FTEs	N/A	2.0	2.0
Adds a new line item separating out funding for the HAL Office of Cultural Economic Development, previously included within the management services line.	Gross	N/A	\$350,000	\$350,000
	Restricted	N/A	50,000	50,000
	GF/GP	N/A	\$300,000	\$300,000
8. Records Center Relocation	Gross	N/A	\$1,473,400	\$1,473,400
Adds IDG revenue and utilizes savings on current leases for one-time costs for the relocation of the state records center. (The site was converted to use by the Department of Military and Veterans Affairs.) Adjusts building occupancy charges for new facility.	IDG	N/A	551,300	551,300
	GF/GP	N/A	\$922,100	\$922,100
9. Federal, Local, and Private Grants	Gross	N/A	\$600,000	\$600,000
Adds \$600,000 in authorization to receive federal, local, and private grants	Federal	N/A	200,000	200,000
	Local	N/A	200,000	200,000
	Private	N/A	200,000	200,000
10. Lighthouse Preservation	Gross	N/A	\$100,300	\$100,300
Adds \$100,300 in revenue from the lighthouse specialty license plate for the lighthouse preservation program.	Restricted	N/A	100,300	100,300
11. Human Resources Consolidation	Gross	\$226,200	(\$226,200)	(\$226,200)
Eliminates funding for human resources due to consolidation	GF/GP	\$226,200	(\$226,200)	(\$226,200)
12. Economic Adjustments	Gross	N/A	\$62,300	\$62,300
Makes adjustments for salaries/wages, insurances, workers compensation, and retirement and FICA.	IDG	N/A	(200)	(200)
	Federal	N/A	(400)	(400)
	Private	N/A	100	100
	Restricted	N/A	6,900	6,900
	GF/GP		55,900	55,900

Major Boilerplate Changes From FY 2007-08

Sec. 210. Policy Change Report – DELETED

Requires reporting to the Legislature on policy changes for implementing legislation.

Sec. 216. History, Arts, and Libraries Fund– REVISED

Specifies that the HALF may receive and expend funds for providing census-related services and products, document and media services, conferences and other programs, use of specialized equipment, arts grant and other application fees, and other special services.

Sec. 218. Supplemental Funding – DELETED

Expresses intent to explore supplemental funding sources for the Department.

Sec. 219. Communication with Legislature – RETAINED

Prohibits Department from taking disciplinary action against employees communicating with Legislature. The **Executive** deletes this section. The **House** retains this section.

Sec. 220. Film Advisory Commission Minutes - DELETED

Requires Department to post proposed and final minutes of Film Advisory Commission within 8 business days after the meeting and the meeting at which the minutes are approved.

Sec. 229. Public Listing of Expenditures - NEW

The **House** adds a section requiring the department to maintain a listing on the Internet of all expenditures made by the department in the fiscal year. The **Executive** does not include this section.

Sec. 227. Continuous Improvement Efficiency Mechanisms – RETAINED

Requires Department to identify efficiency changes made to programs. The **Executive** deletes this section. The **House** retains this section.

Sec. 228. Receipt of Grants - NEW

The **Executive** and **House** add a section requiring a report to fiscal agencies, SBO, and subcommittees when the Department receives a grant authorized under the Federal, Local, and Private Grants line.

Major Boilerplate Changes From FY 2007-08

Sec. 506. Michigan Historical Museum Surplus Auctions – RETAINED

Deletes requirement that Department notify HAL subcommittee members at least one week prior to sale or auction of artifacts no longer suitable for the historical museum collection. The **Executive** deletes this provision. The **House** retains this provision.

Sec. 507. Michigan History Magazine Subscriber List – DELETED

Deletes requirement that the Department make the Michigan History magazine subscriber list available to the Historical Society of Michigan.

Sec. 701. Mackinac Island State Park Commission Infrastructure Improvements – DELETED

Appropriates \$200,000 from the Mackinac Island Park Operations Fees Fund for maintenance projects.