

HISTORY, ARTS, AND LIBRARIES FY 2008-09 BUDGET

Summary: House Bill 5804 (S-1) (CR-1) Conference Committee Report

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	FY 2007-08 YTD	FY 2008-09 Revised Exec	FY 2008-09 House	FY 2008-09 Senate	FY 2008-09 Conference	Difference: Conference from YTD	
						Amount	%
IDG/IDT	\$139,200	\$668,600	\$668,600	\$668,600	\$668,600	\$529,400	380.3
Federal	7,355,700	7,507,400	7,507,400	7,757,400	7,757,400	\$401,700	5.5
Local	0	200,000	200,000	200,000	200,000	\$200,000	n/a
Private	112,400	312,400	312,400	312,400	312,400	\$200,000	177.9
Restricted	2,645,600	3,967,800	3,979,800	4,117,800	4,167,800	\$1,522,200	57.5
GF/GP	39,256,900	39,930,100	44,390,700	39,930,100	39,790,800	\$533,900	1.4
Gross	\$49,509,800	\$52,586,300	\$57,058,900	\$52,986,300	\$52,897,000	\$3,387,200	6.8
FTEs	235.0	232.0	233.0	232.0	232.0	(3.0)	(1.3)

Note: FY 2007-08 year-to-date figures reflect supplementals, Executive Orders, and legislative transfers through June 6, 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. Public Act 75 of 2008 (SB 1177) transferred Film Office from the department to the Michigan Strategic Fund, effective May 4, 2008. As a result the Revised Executive Recommendation and the Senate do not included funding for the film office. The House included the film office, because it passed the bill prior to the enactment of PA 75. The FY 2007-08 YTD figures above reflect transfer of the film office.

Major Budget Issues

Major Budget Changes From FY 2007-08 YTD		FY 2007-08 Year-to-Date	Conference Change From YTD
Items of Difference	Gross	\$7,754,000	\$283,900
1. Arts and Cultural Affairs Grants	Federal	700,000	122,000
Adds GF/GP funding for arts and cultural grants and adjusts fund sources.	Restricted	0	70,000
	GF/GP	\$7,054,000	\$91,900
2. State Aid to Libraries	Gross	\$10,000,000	\$0
The Executive and Senate maintain current year funding for state aid to libraries. The House provided an additional \$2.0 million. The Conference Committee maintains current year funding.	GF/GP	\$10,000,000	\$0
3. Lighthouse Preservation	Gross	N/A	\$250,000
The Revised Executive and House add \$100,000 in revenue from the lighthouse specialty license plate for the lighthouse preservation program. The Senate increases funding by an additional \$150,000.	Restricted	N/A	250,000
4. Local Historical Society Grants	Gross	N/A	\$25,000
The Senate creates a new line item to provide grants to local historical societies.	GF/GP	N/A	\$25,000

Major Budget Changes From FY 2007-08 YTD		FY 2007-08 Year-to-Date	Conference Change From YTD
5. Historic Preservation The Senate increases the spending authorization from federal funds available from the Department of Interior for historic preservation. The Revised Executive and House appropriated levels (\$850,000) are the FY 2007-08 enacted levels. The FY 2007-08 YTD appropriation includes an additional \$48,300 to account for higher than anticipated funding from DOI.	Gross Federal	\$898,300 898,300	\$51,700 51,700
6. Book Distribution Centers The Executive and House maintained current year funding. The Senate reduced funding by \$25,000. The Conference Committee restored the Senate reduction, and increase funding by an additional \$10,000.	Gross GF/GP	\$350,000 \$350,000	\$10,000 \$10,000
7. Film Office Funding for the film office was transferred to the Michigan Strategic Fund budget.	Gross GF/GP	\$180,300 \$180,300	(\$180,300) (\$180,300)
8. Health Insurance Target Savings The Conference Committee includes a target agreement reduction of \$41,200 related to health insurance savings to be taken in the various administration line items.	Gross GF/GP	N/A N/A	(\$41,200) (\$41,200)
Non-Items of Difference 9. Arts and Cultural Affairs Administration Increases funding for MCACA administration through additional federal funds, as permitted by the NEA and realization of HAL Fund revenue (arts grants application fees). The Conference Committee reduced funding by an additional \$900 because of the target agreement.	FTEs Gross Federal Restricted GF/GP	5.0 \$434,400 0 0 \$434,400	0.0 \$95,800 28,000 80,000 (\$12,200)
10. Michigan History Day Retains GF/GP funding for the Michigan History Day program.	Gross GF/GP	\$25,000 \$25,000	\$0 \$0
11. History, Arts, and Libraries Fund 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.	Gross GF/GP	N/A N/A	\$776,000 \$776,000
12. Museum Store Operations Adds line item and deduct for the museum stores.	FTEs Gross Restricted	N/A N/A N/A	4.0 \$501,500 501,500
13. Cultural Economic Development Adds a new line item separating out funding for the HAL Office of Cultural Economic Development, previously included within the management services line.	FTEs Gross Restricted GF/GP	N/A N/A N/A N/A	2.0 \$350,000 50,000 \$300,000
14. Records Center Relocation 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.	Gross IDG GF/GP	N/A N/A N/A	\$1,473,400 551,300 \$922,100
15. Federal, Local, and Private Grants Adds \$600,000 in authorization to receive federal, local, and private grants	Gross Federal Local Private	N/A N/A N/A N/A	\$600,000 200,000 200,000 200,000
16. Human Resources Consolidation Eliminates funding for human resources due to consolidation.	Gross GF/GP	\$226,200 \$226,200	(\$226,200) (\$226,200)

Major Budget Changes From FY 2007-08 YTD		FY 2007-08 Year-to-Date	Conference Change From YTD
17. Economic Adjustments	Gross	N/A	\$61,000
Makes adjustments for salaries/wages, insurances, workers compensation, and retirement and FICA. The House is above the Revised Executive and the Senate because of the film office, which was subsequently transferred to the Michigan Strategic Fund.	IDG	N/A	(200)
	Federal	N/A	(400)
	Private	N/A	100
	Restricted	N/A	6,900
	GF/GP	N/A	\$54,600

Major Boilerplate Changes From FY 2007-08

Sec. 210. Policy Change Report – RETAINED

Requires reporting to the Legislature on policy changes for implementing legislation. The **Executive** and **House** delete this section. The **Senate** retains this section. The **Conference Committee** retains this section.

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. The **Executive**, **House**, and **Senate** modify this section because to the fund is now appropriated in Part 1, rather than just in boilerplate as in previous years. The **Conference Committee** concurs with changes.

Sec. 217a. Out of State Travel Restriction – NEW

The **Senate** adds a section that prohibits out-of-state travel of more than one departmental employee to a specific professional development conference or training seminar. The section provides an exception for travel funded by federal or private sources and which requires more than one employee to attend. The **Conference Committee** concurs with the Senate, and adds a provision regarding travel in instances where the training is provided in areas where employees lack expertise.

Sec. 218. Supplemental Funding – RETAINED

Expresses intent to explore supplemental funding sources for the Department. The **Executive** and the **House** delete this section. The **Senate** retains it. The **Conference Committee** retains this section.

Sec. 219. Communication with Legislature – RETAINED

Prohibits Department from taking disciplinary action against employees communicating with Legislature. The **Executive** deletes this section. The **House** and **Senate** retain this section. The **Conference Committee** 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. The **Executive**, **House**, and **Senate** delete this section. The **Conference Committee** concurs.

Sec. 227. Continuous Improvement Efficiency Mechanisms – DELETED

Requires Department to identify efficiency changes made to programs. The **Executive** and **Senate** delete this section. The **House** retains this section. The **Conference Committee** retains this section.

Sec. 228. Receipt of Grants – NEW

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

Sec. 229. Public Listing of Expenditures – NEW

The **House** and **Senate** add 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. The **Conference Committee** does not include this section.

Sec. 505. Michigan Freedom Trail Commission – RETAINED

Allocates \$25,000 from the funds appropriated in Part 1 for historical administration and services to the Michigan Freedom Trail Commission. The **Executive** made the allocation permissive ("may"), The **House** and **Senate** require ("shall") the allocation. The **Conference Committee** concurs.

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** and **Senate** retain this provision. The **Conference Committee** concurs.

Major Boilerplate Changes From FY 2007-08

Sec. 507. Michigan History Magazine Subscriber List – RETAINED

Deletes requirement that the Department make the Michigan History magazine subscriber list available to the Historical Society of Michigan. The **Executive** and **House** delete this section. The **Senate** retains it. The **Conference Committee** retains this section.

Sec. 508. Local Historical Society Grants - NEW

The **Conference Committee** adds a section providing that funds for the local historical society grants appropriated in part 1 shall be used for a competitive grant program for state and local historical societies. Funds are to be awarded for projects that leverage additional public and private investment. Projects could include capital improvements, restoration, research, educational programs, and publications. Awards are capped at \$2,000 per grant award.

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

Appropriates \$200,000 from the Mackinac Island Park Operations Fees Fund for maintenance projects. The **Executive**, **House**, and **Senate** delete this section. The **Conference Committee** concurs.