



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2006-07 Year-to-Date Gross Appropriation	\$50,309,300
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Changes from FY 2006-07 Year-to-Date:Items Included by the Senate and House

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| 1. Rent. The Governor recommended a GF/GP increase to support the costs of relocating the Historical Museum artifacts into new leased space. The Senate and House concurred. | 171,000 |
| 2. DIT Web Portal. The Governor recommended a GF/GP increase in the Information Technology line item for the Department's web portal. The Senate and House concurred. | 140,000 |
| 3. Economic Adjustments. | 688,900 |

Conference Agreement on Items of Difference

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| 4. State Aid to Libraries. The Governor recommended a 50.0% reduction to this grant line, from \$12,143,000 to \$6,071,500. The Senate concurred in the total reduction and added boilerplate to maintain State aid to cooperative libraries at 75.7% of the FY 2006-07 level. The House maintained current year funding. The Conference Report provided a total of \$10,000,000. | (2,143,000) |
| 5. Arts and Cultural Grants. The Governor maintained arts grants at \$10,144,300, the original FY 2006-07 level. The Senate funded arts grants at \$6,519,300, an amount (\$25,000) below the revised FY 2006-07 year-to-date appropriation. The House provided \$10,144,300. The Conference Report funded grants at \$7,754,000. | 1,209,700 |
| 6. Arts and Cultural Affairs Administration. The Governor recommended administrative reductions to the MCACA Administration line of (\$62,500) and (4.0) FTEs which may result in 2.0 lay-offs. The House retained 2.0 of the 4.0 FTEs to provide 5.0 FTEs for arts grant administration. The Conference Report concurred with the House. | 67,500 |
| 7. Book Distribution Centers. The Governor recommended the elimination of this line. The Senate included a \$100 placeholder. The House maintained current funding of \$350,000. The Conference Report concurred in the House position. | 0 |
| 8. Michigan History Day. The Senate added \$25,000 for Michigan History Day. The House did not include. The Conference Report concurred with the Senate. | 25,000 |
| 9. Library of Michigan Operations. The Governor recommended an 11.5% reduction to this line. Of this reduction \$300,000 would be transferred into the Management Services line and \$200,000 would be transferred to the Historical Administration Services line to help cover administrative costs. The remaining reduction would be achieved through reduced collection purchases. The Senate concurred. The House made an additional reduction of \$126,500. The Conference Report adopted the Senate position. | (126,400) |
| 10. Budgetary Savings. The Senate included this line item. The House did not include. The Conference Report concurred with the House. | 0 |
| 11. Other Changes. The Governor recommended various Federal and restricted fund source adjustments (\$779,100), adjustments to the Human Resources Optimization User Charges (\$14,300), a reduction of (\$11,000) for final year of sick leave payouts due to early retirements, a DIT reduction of (\$8,200), and other administrative reductions (\$32,800). The Senate concurred. The House made additional adjustments. The Conference Report added \$6,300 to Unclassified Salaries and concurred with the Governor and Senate on remaining items. | (839,100) |

Total Changes	(\$806,400)
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FY 2007-08 Conference Report Gross Appropriation	\$49,502,900
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2006-07 Year to Date:Items Included by the Senate and House

1. **Deleted Language.** The Senate and House concurred with the Governor in deletion of the following: intent language on satellite film offices, intent language on an income tax check-off, and optional priority for cultural and ethnic heritage centers and museums.
2. **Retained Language.** The Senate and House concurred in retaining the HAL fund report (Sec. 216) and intent language on exploring supplemental funding (Sec. 218).
3. **Michigan Freedom Trail.** The Governor recommended making the allocation of \$25,000 for the Michigan Freedom Trail permissive instead of required. The Senate and House retained current language. (Sec. 505)

Conference Agreement on Items of Difference

4. **Other Boilerplate Agreements.** The Conference Report retained the privatization plan report (Sec. 207), communication with Legislature (Sec. 219), Film Advisory Commission minutes (Sec. 220), notification prior to sale of artifacts (Sec. 506), and sale of subscriber mailing list (Sec. 507).
5. **Report on Implementation of Legislation; Limitation on Rules.** The Senate added a report on policy changes made to implement legislation, and prohibited use of funds for administrative rules, unless rules reduce the disproportionate impact on small businesses. The Conference Report concurred. (Sec. 210)
6. **Limitation on Legal Services.** The Senate prohibited use of funds to hire a person to provide legal services that are the responsibility of the Attorney General. The Conference Report concurred with the Senate. (Sec. 223)
7. **After-School Programs.** The Senate included language that directs the Department to collaborate with several other State departments to extend the duration of the Michigan After-School Partnership. The Department may use \$25,000 to support the Michigan After-School Partnership. The Conference Report concurred. (Sec. 224)
8. **Contingency Funds.** The Governor and House reinstated contingency fund language to permit limited Federal, restricted, and private funds received mid-year to be appropriated via the legislative transfer process. The Senate did not include. The Conference Report concurred with the House. (Sec. 226)
9. **Continuous Improvement Efficiency Mechanisms.** The House required that the Department identify changes made in programs to increase efficiency and reduce expenditures and report on the review process, changes implemented and the projected savings. The Conference Committee concurred. (Sec. 227)
10. **Michigan Arts and Cultural Grants.** The Governor combined "Cultural projects" and "Historical projects" into one category (Sec. 402), maintained the maximum percentage that can be granted to any one institution at 16.0% and removed intent language on reducing the percentage to 15.0% (Sec. 403), deleted outcomes reporting (Sec. 405), deleted reporting of available discretionary funds, and deleted prohibition on redistribution of grant funds during the fiscal year without notifying subcommittees (Sec. 406). The Senate concurred in deletion of outcomes reporting, maintained "cultural projects" as a separate category, changed the "Historical Projects" category to the "Historical Society Projects" category, followed intent language to reduce to 15.0% the maximum percentage of funds that any one organization can receive, and retained the discretionary funds reports and the notification of subcommittees prior to redistribution of grant funds. The House revised language on standards of decency and match requirements, maintained the maximum percentage at 16.0% and retained outcome measures reports. The Conference Report concurred with the Senate on the maximum percentage at 15.0%, reduced outcomes reporting, and grant categories, and concurred with the House on standards of decency language and match requirements.
11. **State Aid to Libraries.** The Senate added a requirement that State Aid payments to cooperative libraries shall be paid at 75.7% of the FY 2006-07 payment to cooperative libraries, and other distributions from the line shall be adjusted accordingly. The House and Conference Report did not include. (Sec. 603)
12. **Book Distribution Centers.** The Governor recommended eliminating the program. The Senate retained the program with a \$100 placeholder. The House retained the program. The Conference Report concurred with the House. (Sec. 607)
13. **Mackinac Island State Park Commission Maintenance Projects.** The Senate added language to appropriate \$200,000 from the Mackinac Island Park Operations Fees Fund to the Park Commission Revenue Bond Fund for maintenance projects. The House specified certain projects. The Conference Report concurred with the Senate. (Sec. 701)

Date Completed: 10-24-07

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