

# HOUSE BILL No. 4347

## EXECUTIVE BUDGET BILL

February 28, 2007, Introduced by Rep. Cheeks and referred to the Committee on Appropriations.

A bill to make appropriations for the department of history, arts and libraries for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

### THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the department

of history, arts and libraries for the fiscal year ending September 30, 2008, from the funds indicated in this part. The following is a summary of the appropriations in this part:

**DEPARTMENT OF HISTORY, ARTS AND LIBRARIES**

APPROPRIATION SUMMARY:

Full-time equated unclassified positions ..... 6.0

Full-time equated classified positions..... 228.0

GROSS APPROPRIATION..... \$ 47,453,400

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers ..... 139,200

ADJUSTED GROSS APPROPRIATION..... \$ 47,314,200

Federal revenues:

Total federal revenues..... 7,307,400

Special revenue funds:

Total local revenues..... 0

Total private revenues..... 112,400

Total other state restricted revenues..... 2,645,600

State general fund/general purpose..... \$ 37,248,800

**Sec. 102. DEPARTMENT OPERATIONS**

Full-time equated unclassified positions ..... 6.0

Full-time equated classified positions..... 32.0

Unclassified salaries..... \$ 222,300

Management services--31.0 FTE positions..... 2,786,400

Building occupancy charges and rent..... 3,277,800

Worker's compensation..... 9,000

Office of film and television services--1.0 FTE

1	position .....	180,300
2	Human resources optimization user charges .....	<u>16,500</u>
3	GROSS APPROPRIATION .....	\$ 6,492,300
4	Appropriated from:	
5	Special revenue funds:	
6	State general fund/general purpose .....	\$ 6,492,300
7	<b>Sec. 103. INFORMATION TECHNOLOGY</b>	
8	Information technology services and projects .....	<u>\$ 1,099,200</u>
9	GROSS APPROPRIATION .....	\$ 1,099,200
10	Appropriated from:	
11	Special revenue funds:	
12	Mackinac Island state park fund .....	47,000
13	State general fund/general purpose .....	\$ 1,052,200
14	<b>Sec. 104. MICHIGAN COUNCIL FOR ARTS AND CULTURAL</b>	
15	<b>AFFAIRS</b>	
16	Full-time equated classified positions ..... 3.0	
17	Administration--3.0 FTE positions .....	\$ 304,400
18	Arts and cultural grants .....	<u>10,144,300</u>
19	GROSS APPROPRIATION .....	\$ 10,448,700
20	Appropriated from:	
21	Federal revenues:	
22	NFAH-NEA, promotion of the arts, partnership	
23	agreements .....	700,000
24	Special revenue funds:	
25	State general fund/general purpose .....	\$ 9,748,700
26	<b>Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION</b>	
27	Full-time equated classified positions..... 39.0	

1	Mackinac Island park operation--24.3 FTE positions ...	\$	1,544,100
2	Historical facilities system--14.7 FTE positions .....		<u>1,948,500</u>
3	GROSS APPROPRIATION.....	\$	3,492,600
4	Appropriated from:		
5	Federal revenues:		
6	Federal funds.....		200,000
7	Special revenue funds:		
8	Mackinac Island state park operation fund.....		160,200
9	Mackinac Island state park fund.....		1,566,000
10	State general fund/general purpose.....	\$	1,566,400
11	<b>Sec. 106. MICHIGAN HISTORICAL PROGRAM</b>		
12	Full-time equated classified positions.....		83.0
13	Historical administration and services--71.0 FTE		
14	positions .....	\$	5,812,800
15	Federal programs--12.0 FTE positions.....		850,000
16	Heritage publications.....		700,000
17	Private grants and gifts.....		112,400
18	Thunder Bay national marine sanctuary and underwater		
19	preserve .....		<u>202,000</u>
20	GROSS APPROPRIATION.....	\$	7,677,200
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG-MDOT, comprehensive transportation fund.....		3,800
24	IDG-MDOT, state aeronautics fund.....		2,300
25	IDG-MDOT, state trunkline fund.....		133,100
26	Federal revenues:		
27	DOI-NPS, historic preservation grants-in-aid.....		850,000

1	Special revenue funds:	
2	Private - grants and gifts.....	10,000
3	Private - Mann house trust fund.....	102,400
4	Game and fish protection fund.....	3,700
5	Heritage publication fund.....	700,000
6	Marine safety fund.....	400
7	Special revenue, internal service and pension trust ..	49,200
8	State lottery fund.....	19,100
9	State services fee fund.....	12,300
10	Waterways fund.....	800
11	State general fund/general purpose.....	\$ 5,790,100
12	<b>Sec. 107. LIBRARY OF MICHIGAN</b>	
13	Full-time equated classified positions.....	71.0
14	Collected gifts and fees.....	\$ 86,900
15	Library of Michigan operations--71.0 FTE positions ...	6,022,600
16	Library services and technology act.....	5,557,400
17	State aid to public libraries.....	6,071,500
18	Subregional state aid.....	<u>505,000</u>
19	GROSS APPROPRIATION.....	\$ 18,243,400
20	Appropriated from:	
21	Federal revenues:	
22	Library services and technology act.....	5,557,400
23	Special revenue funds:	
24	User fees.....	86,900
25	State general fund/general purpose.....	\$ 12,599,100

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2007-2008 is \$39,894,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$7,987,400.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

## DEPARTMENT OF HISTORY, ARTS AND LIBRARIES

Arts and cultural grants.....	\$	1,410,900
State aid to public libraries.....		6,071,500
Subregional state aid.....		<u>505,000</u>
Total department of history, arts and libraries.....	\$	7,987,400

Sec. 202. The appropriations authorized under this bill are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this bill:

(a) "Department" means the department of history, arts and libraries.

(b) "Director" means the director of the department of history, arts and libraries.

(c) "DOI-NPS" means the United States department of interior, national park service.

(d) "Fiscal agencies" means the house fiscal agency and the senate fiscal agency.

1 (e) "FTE" means full-time equated.

2 (f) "IDG" means interdepartmental grant.

3 (g) "MCACA" means the Michigan council for arts and cultural  
4 affairs.

5 (h) "MDOT" means the Michigan department of transportation.

6 (i) "NEA" means the national endowment for the arts.

7 (j) "NFAH" means the national foundation of the arts and the  
8 humanities.

9 (k) "Subcommittees" means all members of the appropriate  
10 subcommittees of the senate and house of representatives  
11 appropriations committees.

12 Sec. 204. The department of civil service shall bill the  
13 departments and agencies at the end of the first fiscal quarter for  
14 the 1% charge authorized by section 5 of article XI of the state  
15 constitution of 1963. Payments shall be made for the total amount  
16 of the billing by the end of the second fiscal quarter.

17 Sec. 205. (1) A hiring freeze is imposed on the state  
18 classified civil service. State departments and agencies are  
19 prohibited from hiring any new full-time state classified civil  
20 service employees and prohibited from filling any vacant state  
21 classified civil service positions. This hiring freeze does not  
22 apply to internal transfers of classified employees from 1 position  
23 to another within a department.

24 (2) The state budget director may grant exceptions to this  
25 hiring freeze when the state budget director believes that the  
26 hiring freeze will result in rendering a state department or agency  
27 unable to deliver basic services, cause a loss of revenue to the

1 state, result in the inability of the state to receive federal  
2 funds, or would necessitate additional expenditures that exceed any  
3 savings from maintaining a vacancy. The state budget director  
4 shall report quarterly to the chairpersons of the senate and house  
5 of representatives standing committees on appropriations the number  
6 of exceptions to the hiring freeze approved during the previous  
7 quarter and the reasons to justify the exception.

8       Sec. 208. The department shall use the Internet to fulfill the  
9 reporting requirements of this bill. This requirement may include  
10 transmission of reports via electronic mail to the recipients  
11 identified for each reporting requirement, or it may include  
12 placement of reports on an Internet or Intranet site.

13       Sec. 209. Funds appropriated in part 1 shall not be used for  
14 the purchase of foreign goods or services, or both, if  
15 competitively priced and of comparable quality American goods or  
16 services, or both, are available. Preference should be given to  
17 goods or services, or both, manufactured or provided by Michigan  
18 businesses if they are competitively priced and of comparable  
19 quality.

20       Sec. 211. The department shall establish and maintain  
21 affirmative action programs based on guidelines developed by the  
22 state equal opportunity workforce planning council which was  
23 created by Executive Order No. 1996-13 in order to receive general  
24 fund/general purpose dollars.

25       Sec. 213. From the funds appropriated in part 1 for  
26 information technology, the department shall pay user fees to the  
27 department of information technology for technology-related



1 services and projects. Such user fees shall be subject to  
2 provisions of an interagency agreement between the department and  
3 the department of information technology.

4 Sec. 214. Amounts appropriated in part 1 for information  
5 technology may be designated as work projects and carried forward  
6 to support technology projects under the direction of the  
7 department of information technology. Funds designated in this  
8 manner are not available for expenditure until approved as work  
9 projects under section 451a of the management and budget act, 1984  
10 PA 431, MCL 18.1451a.

11 Sec. 215. (1) The department may provide and enter into  
12 agreements to provide general services, training, meetings,  
13 information, special equipment, software, and facility use, and  
14 technical consulting services to other principal executive  
15 departments, state agencies, local units of government, the  
16 judicial branch of government, other organizations, and patrons of  
17 department facilities. Fees for services shall be reasonably  
18 related to the cost of providing the services and shall be used to  
19 offset the costs of the services. The department may receive and  
20 expend funds in addition to those authorized in part 1 which may  
21 include, but are not limited to, the following:

22 (a) Supplying census-related information and technical  
23 services, publications, statistical studies, population projections  
24 and estimates, and other demographic products.

25 (b) Microfilming and other document and data imaging services,  
26 media, storage, and copies.

27 (c) Patron copier and document reproduction services and

1 copies.

2 (d) Conferences, training classes, exhibits, programs, and  
3 workshops conducted as part of the department's mission.

4 (e) Use of specialized equipment, facilities, and software  
5 that permit distance learning and meetings, and group decision  
6 making.

7 (f) Special services including the rental of department  
8 exhibits and collections.

9 (g) Application fees.

10 (h) Grants, gifts, and bequests, including those for capital  
11 projects.

12 (2) The funds received under this section shall be deposited  
13 into and expended from the history, arts and libraries fund  
14 established in section 216 of this bill.

15 Sec. 216. A fund known as the history, arts and libraries  
16 fund is created in the department. The fund shall be used to  
17 receive and expend funds in addition to those authorized in part 1.  
18 All funds are allocated for expenditure upon receipt. The fund  
19 balance may be carried forward for expenditure in subsequent fiscal  
20 years.

21 Sec. 217. (1) Due to the current budgetary problems in this  
22 state, out-of-state travel shall be limited to situations in which  
23 1 or more of the following conditions apply:

24 (a) The travel is required by legal mandate or court order or  
25 for law enforcement purposes.

26 (b) The travel is necessary to protect the health or safety of  
27 Michigan citizens or visitors or to assist other states in similar

1 circumstances.

2 (c) The travel is necessary to produce budgetary savings or to  
3 increase state revenues, including protecting existing federal  
4 funds or securing additional federal funds.

5 (d) The travel is necessary to comply with federal  
6 requirements.

7 (e) The travel is necessary to secure specialized training for  
8 staff that is not available within this state.

9 (f) The travel is financed entirely by federal or nonstate  
10 funds.

11 (2) If out-of-state travel is necessary but does not meet 1 or  
12 more of the conditions in subsection (1), the state budget director  
13 may grant an exception to allow the travel. Any exceptions granted  
14 by the state budget director shall be reported on a monthly basis  
15 to the senate and house of representatives standing committees on  
16 appropriations.

17 (3) Not later than January 1 of each year, each department  
18 shall prepare a travel report listing all travel by classified and  
19 unclassified employees outside this state in the immediately  
20 preceding fiscal year that was funded in whole or in part with  
21 funds appropriated in the department's budget. The report shall be  
22 submitted to the chairs and members of the senate and house of  
23 representatives standing committees on appropriations, the fiscal  
24 agencies, and the state budget director. The report shall include  
25 the following information:

26 (a) The name of each person receiving reimbursement for travel  
27 outside this state or whose travel costs were paid by this state.

1 (b) The destination of each travel occurrence.

2 (c) The dates of each travel occurrence.

3 (d) A brief statement of the reason for each travel  
4 occurrence.

5 (e) The transportation and related costs of each travel  
6 occurrence, including the proportion funded with state general  
7 fund/general purpose revenues, the proportion funded with state  
8 restricted revenues, the proportion funded with federal revenues,  
9 and the proportion funded with other revenues.

10 (f) A total of all out-of-state travel funded for the  
11 immediately preceding fiscal year.

12 Sec. 222. The director shall take all reasonable steps to  
13 ensure businesses in deprived and depressed communities compete for  
14 and perform contracts to provide services or supplies, or both.

15 The director shall strongly encourage firms with which the  
16 department contracts to subcontract with certified businesses in  
17 depressed and deprived communities for services, supplies, or both.

18 Sec. 223. (1) In addition to the funds appropriated in part 1,  
19 there is appropriated an amount not to exceed \$2,000,000.00 for  
20 federal contingency funds. These funds are not available for  
21 expenditure until they have been transferred to another line item  
22 in this bill under section 393(2) of the department of management  
23 and budget act, 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is  
25 appropriated an amount not to exceed \$1,000,000.00 for state  
26 restricted contingency funds. These funds are not available for  
27 expenditure until they have been transferred to another line item

1 in this bill under section 393(2) of the department of management  
2 and budget act, 1984 PA 431, MCL 18.1393.

3 (3) In addition to the funds appropriated in part 1, there is  
4 appropriated an amount not to exceed \$100,000.00 for local  
5 contingency funds. These funds are not available for expenditure  
6 until they have been transferred to another line item in this bill  
7 under section 393(2) of the department of management and budget  
8 act, 1984 PA 431, MCL 18.1393.

9 (4) In addition to the funds appropriated in part 1, there is  
10 appropriated an amount not to exceed \$750,000.00 for private  
11 contingency funds. These funds are not available for expenditure  
12 until they have been transferred to another line item in this bill  
13 under section 393(2) of the department of management and budget  
14 act, 1984 PA 431, MCL 18.1393.

15 **MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

16 Sec. 401. (1) The MCACA in the department shall administer the  
17 arts and cultural grants appropriated in part 1.

18 (2) The MCACA shall render fair and independent decisions  
19 concerning arts and cultural grant requests and shall do all of the  
20 following:

21 (a) Use published criteria to evaluate program quality,  
22 including all of the following:

23 (i) The department's intended goals and outcomes for each  
24 program.

25 (ii) The department's quantifiable measures of success in  
26 meeting the intended goals and outcomes.

1 (b) Seek to award grants on an equitable geographic basis to  
2 the extent possible given the quality of grant applications  
3 received.

4 (c) Give priority to projects that serve multiple counties,  
5 leverage significant additional public and private investment, or  
6 demonstrate a significant potential to increase tourism or attract  
7 or retain businesses or residents.

8 (3) The MCACA shall not award a grant unless the proposed  
9 grant recipient agrees to both of the following:

10 (a) The grant will not be used to fund a project or activity  
11 that includes a display of human waste on religious symbols, a  
12 display of a sex act, or a depiction of flag desecration.

13 (b) Grant funding will not be used to create or promote a  
14 specific work that includes a display or depiction for which  
15 funding is prohibited under subdivision (a).

16 (4) The MCACA shall provide for fair, equitable, and efficient  
17 distribution of funds granted through the regional regranting  
18 program. The MCACA shall provide for an annual assessment of grant  
19 management and distribution of mini-grant awards by designated  
20 regional regranting agencies and review the methodology employed.

21 (5) The MCACA shall continue and expand its efforts to  
22 encourage and support nonprofit arts and cultural organizations to  
23 transition from solely volunteer-based organizations to  
24 professionally directed operations. Criteria for support include  
25 the requirement of collaboration between these organizations and  
26 other community organizations.

27 (6) The department shall withhold undistributed grant payments

1 from a grant recipient who violates the terms of the agreement  
2 required under subsection (3) and may disqualify the grant  
3 recipient from award of future grants for a period of not more than  
4 3 years.

5 Sec. 402. The MCACA may award grants to counties, cities,  
6 villages, townships, community foundations and organizations in the  
7 following categories:

8 (a) Anchor organization program for organizations that serve  
9 regional and statewide audiences. Anchor organizations shall  
10 demonstrate a commitment to education, to mentoring smaller  
11 organizations, and to reaching underserved audiences.

12 (b) Arts projects program.

13 (c) Arts and learning program.

14 (d) Artists in residence for education program.

15 (e) Arts organization development program.

16 (f) Capital improvement program.

17 (g) Local arts agencies services program.

18 (h) Regional regranting program.

19 (i) Partnership program.

20 (j) Rural arts and cultural program.

21 (k) Cultural and history projects program.

22 (l) Discretionary grants program.

23 (m) Cultural and ethnic heritage centers and museums.

24 Sec. 403. (1) From the state funds appropriated in part 1 for  
25 arts and cultural grants, no one organization may receive more than  
26 16% of this funding.

27 (2) The MCACA shall make every effort to provide total grant

1 awards in the anchor organization program at a level not to exceed  
2 70% of the total amount appropriated for arts and cultural grants.

3 (3) As documented in the audit report that is submitted as  
4 part of the grant application process, the total of all grants  
5 awarded to any organization receiving grants within the anchor  
6 organization program may not exceed 15% of their "total  
7 unrestricted revenues, gains, and other support," as defined by the  
8 financial accounting standards board in the accounting standards  
9 for not-for-profit organizations or equivalent accounting standards  
10 for other types of eligible organizations.

11 (4) Before any amount appropriated for arts and cultural  
12 grants in part 1 may be expended for a grant to an eligible  
13 recipient, the department shall execute a grant agreement with the  
14 recipient. The grant agreement shall identify the projects funded,  
15 specify the category in section 402 under which the grant is  
16 awarded, and include the prohibitions and sanctions identified in  
17 section 401(3) and (6).

18 Sec. 404. Grant applicants must meet and adhere to the  
19 following requirements:

20 (a) Each applicant shall pay a nonrefundable application fee  
21 of \$300.00 or 3% of the desired grant amount, whichever is less.  
22 Application fees received shall be deposited in the history, arts  
23 and libraries fund established in section 216. The department may  
24 use the application fee to offset its direct and indirect costs.

25 (b) An applicant for a grant under the anchor organization  
26 program shall submit with the application the applicant's most  
27 recent annual audit report which states their "total unrestricted



1 revenues, gains, and other support," as defined by the financial  
2 accounting standards board in the accounting standards for not-for-  
3 profit organizations or equivalent accounting standards for other  
4 types of eligible organizations. The audit report must cover an  
5 audit period that ends within 18 months of the date of the  
6 application.

7 (c) Each applicant shall identify proposed matching funds from  
8 local and/or private sources on a dollar-for-dollar basis. The  
9 dollar-for-dollar match may include the reasonable value of  
10 services, materials, and equipment as allowed under the federal  
11 internal revenue code for charitable contributions.

12 Sec. 405. Each grant recipient shall provide the MCACA with  
13 the following:

14 (a) Proof of the entire amount of the matching funds,  
15 services, materials, or equipment by the end of the award period.

16 (b) Within 30 days following the end of the grant period, a  
17 final report that includes the following:

18 (i) Project revenues and expenditures including grant matching  
19 fund amounts.

20 (ii) Number of patrons attracted or benefiting during the  
21 grant period.

22 (iii) A narrative summary of each project.

23 (c) By April 7 of the grant year, each recipient of a grant  
24 greater than \$100,000.00 shall submit an interim report that  
25 includes the items identified in subdivision (b).

26 Sec. 406. The department shall make the following reports:

27 (a) A report identifying the website location that contains a

1 list of all grant recipients, sorted by county. This report shall  
2 be provided to each legislator within 1 business day of the  
3 announcement of annual awards by the MCACA.

4 (b) A report to the senate and house of representatives  
5 appropriations subcommittees, the state budget director, and the  
6 fiscal agencies, within 30 days after the MCACA announces the  
7 annual grant awards, that includes all of the following:

8 (i) A listing of each applicant.

9 (ii) The county of residence of the applicant.

10 (iii) The amount requested.

11 (iv) The amount awarded.

12 (v) The grant category under which an applicant applied.

13 (vi) A summary of projects funded for each recipient.

14 (vii) The expected number of patrons for an applicant during  
15 the grant period.

16 (viii) The amount of matching funds proposed by each  
17 applicant.

18 (ix) A listing containing the applicant, county of residence  
19 of the applicant, and amount awarded for any regranted funds in the  
20 preceding fiscal year.

21 (c) An annual report to the appropriations subcommittees, the  
22 state budget director, and the fiscal agencies is due when  
23 materials are first distributed by the MCACA seeking grant  
24 applications for the subsequent fiscal year. The report shall  
25 contain a summary of any changes in the program guidelines from the  
26 previous fiscal year and where the guidelines are located on the  
27 department's website.

1    **MICHIGAN HISTORICAL PROGRAM**

2           Sec. 501. The federal funds appropriated in part 1 for the  
3 historic site preservation grants are for work projects and shall  
4 not lapse at the end of the fiscal year but shall continue to be  
5 available for expenditure until the projects for which the funds  
6 were reserved have been completed or are terminated. The purpose  
7 of these work projects is the identification, designation, and  
8 preservation of historic resources. The method used will be to  
9 solicit applications, score applications based upon established  
10 criteria, and award subgrants. The department shall execute a  
11 grant agreement with each recipient. The total cost is \$85,000.00  
12 and the tentative completion date is September 30, 2008.

13          Sec. 502. Funds collected by the department under sections 6,  
14 7, and 7a of 1913 PA 271, 399.6, 399.7, and 399.7a, are  
15 appropriated to the department for the purposes for which they were  
16 received, are allocated for expenditure upon receipt and may be  
17 carried forward for expenditure in subsequent fiscal years.

18          Sec. 503. For the purposes of administering the museum store  
19 as provided in section 7a of 1913 PA 271, MCL 399.7a, the  
20 department is exempt from section 261 of the management and budget  
21 act, 1984 PA 431, MCL 18.1261.

22          Sec. 505. From the funds appropriated in part 1 for historical  
23 administration and services, \$25,000.00 may be allocated to support  
24 the operations of the Michigan freedom trail commission as  
25 specified in section 4 of the Michigan freedom trail commission  
26 act, 1998 PA 409, MCL 399.84. These funds shall be used to

1 reimburse commission members, to pay for necessary contractual  
2 services of the commission, and to hire not more than 1.0 FTE  
3 position in the department's Michigan historical center to support  
4 commission operations.

5       Sec. 506. Proceeds in excess of costs incurred in the conduct  
6 of auctions, sales, or transfers of artifacts no longer considered  
7 suitable for the collections of the state historical museum are  
8 appropriated to the department and may be expended upon receipt for  
9 additional material for the collection.

#### 10    **LIBRARY OF MICHIGAN**

11       Sec. 601. In order to receive subregional state aid as  
12 appropriated in part 1 to the library of Michigan, a subregional  
13 library's fiscal agency must agree to maintain local funding  
14 support at the same level in the current fiscal year as in the  
15 fiscal agency's preceding fiscal year. If a reduction in  
16 expenditures equally affects all agencies in a local unit of  
17 government that is the subregional library's fiscal agency, that  
18 reduction shall not be interpreted as a reduction in local support  
19 and shall not disqualify a subregional library from receiving state  
20 aid under part 1. If a reduction in income affects a library  
21 cooperative or district library that is a subregional library's  
22 fiscal agency or a reduction in expenditures for the subregional  
23 library's fiscal agency, a reduction in expenditures for the  
24 subregional library shall not be interpreted as a reduction in  
25 local support and shall not disqualify a subregional library from  
26 receiving state aid under part 1.

1           Sec. 602. The funds appropriated in part 1 for a subregional  
2 library shall not be released until a budget for that subregional  
3 library has been approved by the department for expenditures for  
4 library services directly serving the blind and persons with  
5 disabilities.