

**ALL GENERAL GOVERNMENT
Summary: Enacted
Public Act 128 of 2009**

Analysts: Robin R. Risko and Ben Gielczyk

	FY 2008-09 YTD	FY 2009-10 Rev. Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
						Amount	%
IDG/IDT	\$656,022,900	\$643,426,300	\$620,696,000	\$638,339,900	\$638,721,400	(17,301,500)	(2.6)
Federal	118,833,200	116,844,500	116,094,500	115,994,600	116,944,500	(1,888,700)	(1.6)
Local	3,098,000	3,554,000	3,554,000	3,554,000	3,554,000	456,000	14.7
Private	1,265,700	1,275,700	1,275,700	1,275,700	1,275,700	10,000	0.8
Restricted	1,706,565,100	1,730,713,400	1,596,847,000	1,672,032,100	1,611,856,600	(94,708,500)	(5.5)
GF/GP	665,008,600	684,863,600	637,609,600	650,398,000	625,194,200	(39,814,400)	(6.0)
Gross	\$3,150,793,500	\$3,180,677,500	\$2,976,076,800	\$3,081,594,300	\$2,997,546,400	(\$153,247,100)	(4.9)
FTEs	7,509.7	7,484.7	7,469.7	7,485.7	7,476.7	(33.0)	(0.4)

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview of All General Government Departments

The following departmental and agency budgets are included in this budget bill: Executive Office, Legislature, Legislative Auditor General, and the Departments of Attorney General, Civil Rights, Information Technology, Management and Budget (including Civil Service), State, and Treasury (including Lottery, Gaming Control Board, and Michigan Strategic Fund). The Department of Treasury budget also includes revenue sharing payments to local units of government and general obligation debt service. A summary of major budget issues are listed by department on the following pages.

Boilerplate Changes From FY 2008-09

GENERAL SECTIONS OF BOILERPLATE

Sec. 216 (2). Out-of-State Travel Restrictions – DELETED

Authorizes the State Budget Director to grant exceptions to allow out-of-state travel and requires a monthly report on exceptions made.

Sec. 224. Travel Restrictions – DELETED

Prohibits departments from approving travel by more than one employee to professional development conferences or training seminars located outside of the state unless funded with federal or private funds.

Sec. 227. No-Bid Contracts – NEW

Prohibits departments from entering into no-bid contracts for greater than \$500,000 unless there are no other bidders; for bundled contracts the \$500,000 limit applies to the individual contracts within the bundle.

Sec. 228. General Fund Lapses – NEW

Requires departments to report on estimates of general fund lapses at the close of the fiscal year.

**ATTORNEY GENERAL
Summary: Enacted
Public Act 128 of 2009**

Analyst: Robin R. Risko

	FY 2008-09 YTD	FY 2009-10	FY 2009-10	FY 2009-10	FY 2009-10	Difference: Enacted	
		Rev. Executive	Senate	House	Enacted	From FY 2008-09 YTD	
						Amount	%
IDG/IDT	\$24,301,000	\$24,744,100	\$21,289,800	\$21,289,800	\$21,289,800	(\$3,011,200)	(12.4)
Federal	8,050,800	8,177,800	8,277,800	8,177,800	8,277,800	227,000	2.8
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	11,927,600	11,916,700	15,521,000	15,371,000	15,521,000	3,593,400	30.1
GF/GP	31,648,000	31,983,300	28,785,000	28,818,300	28,785,000	(2,863,000)	(9.0)
Gross	\$75,927,400	\$76,821,900	\$73,873,600	\$73,656,900	\$73,873,600	(\$2,053,800)	(2.7)
FTEs	543.0	543.0	543.0	543.0	543.0	0.0	0.0

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Attorney General serves as legal counsel for state departments, agencies, boards, commissions, and their officers, brings actions and intervenes in cases on the state's behalf, and represents legislators and judges who may be sued while acting in their official capacities. The Attorney General issues opinions on questions of law submitted by members of the Legislature and others, serves as chief law enforcement officer of the state, and has supervisory powers over all local prosecuting attorneys. The Department's mission is to protect the common legal rights of citizens, defend the Constitution and the laws of the state, and represent the legal interests of government. Its goals include offering justice to victims of crime and delivering excellent legal services at a minimum cost to taxpayers.

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
1. Annualize Executive Order 2008-21 Reductions	Gross	N/A	(\$160,700)
Reduces funding for Attorney General Operations to reflect annualization of the 2.0% GF/GP reductions taken pursuant to E.O. 2008-21.	GF/GP	N/A	(\$160,700)
2. Internal Auditor Transfer	Gross	\$47,900	(\$47,900)
Reflects a savings due to the transfer of internal audit services to the Department of Management and Budget pursuant to E.O. 2007-31.	GF/GP	\$47,900	(\$47,900)
3. Microsoft Upgrade	Gross	N/A	\$80,800
Includes additional funding for software to be upgraded to Microsoft Office Professional 2007 from Microsoft Office 2002.	GF/GP	N/A	\$80,800
4. Information Technology Reductions	Gross	\$772,000	(\$12,100)
Reflects a savings due to the virtual storage of data (\$11,600) and a 2.0% administrative reduction to information technology-related costs (\$500).	GF/GP	\$772,000	(\$12,100)
5. Fund Source Adjustments	Gross	N/A	\$0
Adjusts IDG and state restricted fund sources to reflect actual expenditures and revenues available.	IDG	N/A	(3,444,300)
	Restricted	N/A	3,444,300
	GF/GP	N/A	\$0

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
6. Prosecuting Attorney Coordinating Council (PACC)	Gross	\$1,996,900	\$100,000
Includes authorization for the PACC to receive additional federal revenue anticipated to be made available.	IDG	325,000	0
	Federal	0	100,000
	Restricted	375,000	0
	GF/GP	\$1,296,900	\$0
7. Economic Adjustments	Gross	N/A	\$1,184,400
Includes additional funding for salary and wage, insurance, retirement, workers' compensation premium, building occupancy, and private rent costs.	IDG	N/A	433,100
	Federal	N/A	127,000
	Restricted	N/A	149,100
	GF/GP	N/A	\$475,200
8. GF/GP Reductions	Gross	N/A	(\$3,198,300)
Reduces general fund support for the following line items: Operations by \$3,038,400; Child Support Enforcement by \$64,000; and PACC by \$95,900.	GF/GP	N/A	(\$3,198,300)

Boilerplate Changes From FY 2008-09

Sec. 307. Antitrust Revenue – REVISED

Appropriates up to \$250,000 of additional antitrust, securities fraud, consumer protection or class action enforcement revenue, or attorney fees recovered by the department and authorizes up to \$250,000 to be carried forward.

CIVIL RIGHTS
Summary: Enacted
Public Act 128 of 2009

Analyst: Robin R. Risko

	FY 2008-09 YTD	FY 2009-10 Rev. Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	2,057,300	2,057,300	2,057,300	2,057,300	2,057,300	0	0.0
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	0	0	0	0	0	0	0.0
GF/GP	12,231,700	12,320,100	11,088,100	11,097,100	11,706,400	(525,300)	(4.3)
Gross	\$14,289,000	\$14,377,400	\$13,145,400	\$13,154,400	\$13,763,700	(\$525,300)	(3.7)
FTEs	130.0	130.0	130.0	130.0	130.0	0.0	0.0

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Michigan Civil Rights Commission is charged with investigating alleged discrimination against any person because of religion, race, color, or national origin, and is directed to "secure the equal protection of such civil rights without such discrimination." The Michigan Department of Civil Rights serves as the administrative arm charged with implementing policies of the Commission. The Department provides educational programs that promote voluntary compliance with civil rights laws, investigates and resolves discrimination complaints, disseminates information on the rights and responsibilities of Michigan citizens as provided by law, and provides information and services to businesses on diversity initiatives, equal employment law, procurement opportunities, feasibility studies, and joint venture/strategic alliance matchmaking.

Budget Changes From FY 2008-09 YTD Appropriations

		FY 2008-09 YTD	Enacted Change From YTD
1. Internal Auditor Transfer	Gross	\$68,700	(\$68,700)
Reflects a savings due to the transfer of internal audit services to the Department of Management and Budget pursuant to E.O. 2007-31.	GF/GP	\$68,700	(\$68,700)
2. Administrative Efficiencies	Gross	N/A	(\$62,100)
Reflects a savings to be achieved by not filling vacant FTE positions and by reducing expenditures for contractual services, supplies, and materials and information technology.	GF/GP	N/A	(\$62,100)
3. Microsoft Upgrade	Gross	N/A	\$22,600
Includes additional funding for software to be upgraded to Microsoft Office Professional 2007 from Microsoft Office 2002.	GF/GP	N/A	\$22,600
4. Economic Adjustments	Gross	N/A	\$196,600
Includes additional funding for salary and wage, insurance, retirement, and workers' compensation premium costs (\$222,700); reduces funding for building occupancy charges and rent costs (\$26,100).	GF/GP	N/A	\$196,600
5. GF/GP Reductions	Gross	\$11,239,400	(\$613,700)
Reduces general fund support for department operations.	GF/GP	\$11,239,400	(\$613,700)

Boilerplate Changes From FY 2008-09

None

EXECUTIVE OFFICE
Summary: Enacted
Public Act 128 of 2009

Analyst: Robin R. Risko

	FY 2008-09 YTD	FY 2009-10 Rev. Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	0	0	0	0	0	0	0.0
GF/GP	5,317,300	5,317,300	4,823,700	4,824,300	4,823,700	(493,600)	(9.3)
Gross	\$5,317,300	\$5,317,300	\$4,823,700	\$4,824,300	\$4,823,700	(\$493,600)	(9.3)
FTEs	84.2	84.2	84.2	84.2	84.2	0.0	0.0

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Executive Office budget provides funding for the Governor, the Lieutenant Governor, and their staffs. Major constitutionally-specified responsibilities include organization and supervision of the Executive branch and annual preparation and submission of the Executive budget. Divisions within the Governor's Office include: Legal, Operations, Community-Based Initiatives, Appointments, Constituent Services, Policy, Communications, Legislative Affairs, Scheduling, Special Projects, and the Governor's Washington D.C., Southeastern Michigan, and Upper Peninsula Offices.

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
1. GF/GP Reductions	Gross	\$4,166,600	(\$493,600)
Reduces general fund support for Executive Office operations.	GF/GP	\$4,166,600	(\$493,600)

Boilerplate Changes From FY 2008-09

There is no boilerplate for the Executive Office.

INFORMATION TECHNOLOGY
Summary: Enacted
Public Act 128 of 2009

Analyst: Robin R. Risko

IDG/IDT	FY 2008-09 YTD	FY 2009-10 Rev. Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
						Amount	%
	\$431,421,900	\$423,323,100	\$404,134,800	\$421,778,700	\$423,323,100	(\$8,098,800)	(1.9)
Federal	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	0	0	0	0	0	0	0.0
GF/GP	0	0	0	0	0	0	0.0
Gross	\$431,421,900	\$423,323,100	\$404,134,800	\$421,778,700	\$423,323,100	(\$8,098,800)	(1.9)
FTEs	1,660.0	1,635.0	1,633.0	1,644.0	1,635.0	(25.0)	(1.5)

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Department of Information Technology (DIT) acts as a general contractor between the state's information technology users and private sector providers of information technology (IT) products and services. The Department's services include application development and maintenance; desktop, mainframe, server and local area network computer support and management; contract, project, and procurement planning; telecommunication services; security; and software and software licensing. The Department utilizes existing technology funding and state employees from within the other executive branch departments and agencies. Each state department and agency requests spending authority to fund IT-related activities and pays for technology services rendered by DIT through an interdepartmental grant. Administration of fund sources remains with each agency.

Budget Changes From FY 2008-09 YTD Appropriations

	<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
1. Statewide Microsoft Office Upgrade	Gross N/A	\$6,900,000
Includes additional funding for software to be upgraded statewide. Current Microsoft software will be out of warranty in 2010 and will no longer have support and updates for users. Funding will be used to purchase Microsoft Office Professional 2007 and license applications to provide statewide software standardization, reduce security risks, and allow DIT remote desktop service management.	IDG N/A	6,900,000
	GF/GP N/A	\$0
2. Statewide Storage of Data	Gross N/A	(\$1,171,900)
Reflects a savings statewide due to a change in the way electronic files are archived. A new program will be implemented which will move files to a virtual environment.	IDG N/A	(1,171,900)
	GF/GP N/A	\$0
3. Michigan Business Portal	FTEs N/A	5.0
Includes additional FTE positions and funding for the Michigan Business One Stop Portal. The Website was implemented in the spring of 2009 to help centralize and streamline all aspects of doing business in Michigan. Funding will be used for the continued addition of more automated services in FY 2010.	Gross N/A	\$963,200
	IDG N/A	963,200
	GF/GP N/A	\$0
4. Annualize Executive Order 2008-21 Reductions	Gross N/A	(\$288,500)
Reduces funding to reflect annualization of the 2.0% GF/GP reductions taken pursuant to E.O. 2008-21.	IDG N/A	(288,500)
	GF/GP N/A	\$0
5. Transfers Due to Abolishing DHAL	FTEs N/A	2.0
Reflects transfers of IT-related FTE positions and costs associated with programs that were transferred from DHAL to various other state departments/agencies.	Gross N/A	\$187,400
	IDG N/A	187,400
	GF/GP N/A	\$0

Budget Changes From FY 2008-09 YTD Appropriations

	<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
Gross	N/A	\$3,722,100
IDG	N/A	3,722,100
GF/GP	N/A	\$0
FTEs	N/A	(32.0)
Gross	N/A	(\$18,411,100)
IDG	N/A	(18,411,100)
GF/GP	N/A	\$0

6. Economic Adjustments

Includes additional funding for salary and wage, insurance, retirement, and building occupancy costs.

7. Program Adjustments

Adjusts FTE positions and funding to more accurately reflect appropriations in other state department budgets.

- DOC - additional \$910,000 for migration of CMIS Mainframe to OMNI System; additional \$599,600 for implementation of new medical records system called NextGen; additional \$115,800 for desktop maintenance costs; savings of \$546,400 due to facility closures; additional \$1,100,000 for health data warehouse investment; additional \$150,400 for costs associated with Maxey Mental Health Unit.
- DELEG - additional \$23,200 for the transfer of pollution and energy functions from DEQ to DIT pursuant to E.O. 2008-20.
- DSP - additional \$1,731,100 to align funding of IT expenditures between IT and non-IT programs.
- Treasury - savings of \$500,000 from secondary collections program.
- DHAL - savings of \$60,700 due to eliminating one-time equipment purchase costs.
- DMB - savings of \$150,000 due to eliminating one-time costs of upgrading Interactive Voice Response software at Retirement Call Center; savings of \$88,800 due to elimination of state IT support for the Michigan State Fair.
- DHS - savings of \$19,793,000 and reduction of 32.0 FTE positions due to completion of Bridges project; savings of \$1,000,000 due to contract transfer in Juvenile Justice system; additional \$3,182,300 for implementation of Child Rights Settlement; savings of \$2,000,000 due to in sourcing Michigan Child Support Enforcement System project control functions; savings of \$1,000,000 due to renegotiating Accenture contract; savings of \$522,300 to align DIT spending authorization with DHS IT appropriation.
- Agriculture - savings of \$900 due to elimination of state IT support for the Upper Peninsula State Fair.
- Civil Service - additional \$900 to align DIT spending authorization with Civil Service IT appropriation.
- DEQ - savings of \$54,600 due to transferring the wetlands program back to the federal government.
- DNR - savings of \$400,000 to align DIT spending authorization with DNR IT appropriation.
- Statewide DIT - savings of \$107,700 due to statewide administrative reductions to IT-related costs.

Boilerplate Changes From FY 2008-09

Sec. 581. Technology Assets of the State – DELETED

Requires the Department to conduct a study of the state's information technology assets to determine any benefits and economies that can be achieved and requires a report on the top 10 initiatives that would provide benefit to the state.

Sec. 588. Census-Related Services – NEW

Appropriates funding collected by the Department for providing census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products, and authorizes unexpended funding to be carried forward.

LEGISLATURE
Summary: Enacted
Public Act 128 of 2009

Analyst: Robin R. Risko

IDG/IDT	FY 2008-09 YTD	FY 2009-10		FY 2009-10		FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
		Rev. Executive	Senate	House	Enacted		Amount	%
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	0	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0	0.0
Private	400,000	400,000	400,000	400,000	400,000	400,000	0	0.0
Restricted	1,109,800	1,109,800	1,109,800	1,109,800	1,109,800	1,109,800	0	0.0
GF/GP	112,994,200	112,994,200	103,787,500	104,699,700	104,764,900		(8,229,300)	(7.3)
Gross	\$114,504,000	\$114,504,000	\$105,297,300	\$106,209,500	\$106,274,700		(\$8,229,300)	(7.2)
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

This budget provides funding for the Legislative branch of state government, including the Legislative Council and agencies it governs, the Legislative Retirement System, and Property Management. The Legislative Council provides a wide variety of essential services to members and staff of the Legislature. The Michigan Legislative Retirement System provides retirement allowances, survivors' allowances, and other benefits for members of the Legislature and their spouses, dependents, survivors, and beneficiaries. Property Management employees maintain, operate, and repair the Capitol Building, House of Representatives Office Building, and Farnum Building.

Budget Changes From FY 2008-09 YTD Appropriations

		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
1. GF/GP Reductions - Legislature	Gross	\$85,655,100	(\$6,735,700)
Reduces general fund support for the following line items:	GF/GP	\$85,655,100	(\$6,735,700)
<ul style="list-style-type: none"> House of Representatives - reduction of \$3,206,100 House Automated Data Processing - reduction of \$202,500 House Fiscal Agency - reduction of \$321,900 Senate - reduction of \$2,428,300 Senate Automated Data Processing - reduction of \$255,000 Senate Fiscal Agency - reduction of \$321,900 			
2. GF/GP Reductions - Legislative Council	Gross	\$11,736,600	(\$1,108,500)
Reduces general fund support for the following line items:	GF/GP	\$11,736,600	(\$1,108,500)
<ul style="list-style-type: none"> Legislative Council - reduction of \$971,000 LSB Automated Data Processing - reduction of \$137,500 			
3. GF/GP Reductions - Property Management	Gross	\$12,178,400	(\$385,100)
Reduces general fund support for the following line items:	GF/GP	\$12,178,400	(\$385,100)
<ul style="list-style-type: none"> Cora Anderson Building - reduction of \$309,400 Farnum Building - reduction of \$75,700 			

Boilerplate Changes From FY 2008-09

None

LEGISLATIVE AUDITOR GENERAL
Summary: Enacted
Public Act 128 of 2009

Analyst: Robin R. Risko

	FY 2008-09 YTD	FY 2009-10 Rev. Executive	FY 2009-10 Senate	FY 2009-10 House	FY 2009-10 Enacted	Difference: Enacted From FY 2008-09 YTD	
						Amount	%
IDG/IDT	\$1,801,500	\$1,801,500	\$1,801,500	\$1,801,500	\$1,801,500	\$0	0.0
Federal	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	1,539,900	1,539,900	1,539,900	1,528,300	1,539,900	0	0.0
GF/GP	12,549,800	12,486,800	11,238,100	11,571,600	11,619,800	(930,000)	(7.4)
Gross	\$15,891,200	\$15,828,200	\$14,579,500	\$14,901,400	\$14,961,200	(930,000)	(5.9)
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Office of the Legislative Auditor General is responsible for conducting post financial and performance audits of state government operations. Audit reports provide a continuing flow of information to assist the Legislature in its oversight of approximately 100 individual state funds. Audit reports provide citizens with a measure of accountability and assist state departments and agencies in improving financial management of their operations. The goal of the Office of the Legislative Auditor General is to improve accounting and financial reporting practices and promote effectiveness, efficiency, and economy in state government. Its mission is to improve the accountability of public funds and to improve the operations of state government for the benefit of the citizens of the state.

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
1. Remove One-Time Funding	Gross	\$63,000	(\$63,000)
Reflects elimination of one-time funding included in the FY 2009 budget for network migration costs.	GF/GP	\$63,000	(\$63,000)
2. Economic Adjustments	Gross	N/A	\$381,700
Includes additional funding for salary and wage, insurance, retirement, and rent costs.	GF/GP	N/A	\$381,700
3. GF/GP Reductions	Gross	\$12,236,300	(\$1,248,700)
Reduces general fund support for field operations.	GF/GP	\$12,236,300	(\$1,248,700)

Boilerplate Changes From FY 2008-09

Sec. 624. Information Technology – DELETED

Appropriates \$63,000 as one-time funding for transition of the information technology network from the Executive branch network to the Legislative branch network.

MANAGEMENT AND BUDGET
Summary: Enacted
Public Act 128 of 2009

Analyst: Ben Gielczyk

	FY 2008-09 YTD	FY 2009-10				Difference: Enacted From FY 2008-09 YTD	
		Rev. Executive	Senate	House	Enacted	Amount	%
IDG/IDT	\$167,603,800	\$162,436,800	\$162,349,100	\$162,349,100	\$161,186,300	(\$6,417,500)	(3.8)
Federal	10,743,700	11,219,800	11,219,800	11,219,800	11,219,800	476,100	4.4
Local	1,992,900	2,027,600	2,027,600	2,027,600	2,027,600	34,700	1.7
Private	150,000	151,900	151,900	151,900	151,900	1,900	1.3
Restricted	77,642,500	74,373,900	73,738,000	80,693,200	72,200,500	(5,442,000)	(7.0)
GF/GP	291,888,900	315,264,500	307,248,000	307,656,300	293,574,300	1,685,400	0.6
Gross	\$550,021,800	\$565,474,500	\$556,734,400	\$564,097,900	\$540,360,400	(\$9,661,400)	(1.8)
FTEs	1,431.0	1,416.0	1,400.0	1,405.0	1,403.0	(28.0)	(2.0)

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Department of Management and Budget is the interdepartmental service and management agency responsible for ensuring proper financial record keeping for state agencies; managing capital outlay projects, state property, state purchasing programs, and the state's retirement systems; supervising the state motor vehicle fleet; and providing office support services to state agencies. The Office of the State Budget, prepares, presents, and executes the state budget on behalf of the Governor. The Department has several autonomous units: Office of the State Employer, Office of the Children's Ombudsman, Office of Regulatory Reform, Michigan State Fair, State Building Authority, and Civil Service.

Budget Changes From FY 2008-09 YTD Appropriations	FY 2008-09 YTD	Enacted Change From YTD
DEPARTMENT OF MANAGEMENT AND BUDGET	FTEs	N/A (1.0)
1. Internal Auditor Consolidation	Gross	N/A (\$1,102,300)
Adjusts FTE positions and funding to reflect the statewide consolidation of internal audit services within the Department of Management and Budget. Consolidation is required pursuant to E.O. 2007-31.	IDG	N/A (6,006,200)
	Federal	N/A 266,700
	Restricted	N/A 1,773,800
	GF/GP	N/A \$2,863,400
2. Annualize Executive Order 2008-21 Reductions	FTEs	N/A (2.0)
Reduces FTE positions and funding to reflect annualization of the 2.0% GF/GP reductions taken pursuant E.O. 2008-21. Also includes a fund source shift for the Office of the State Employer related to E.O. 2008-21.	Gross	N/A (\$195,200)
	IDG	N/A (100,000)
	Restricted	N/A 5,400
	GF/GP	N/A (\$100,600)
3. SWCAP Adjustments	Gross	N/A \$0
Adjusts IDG, state restricted, and GF/GP fund sources to reflect the most recent Statewide Cost Allocation Plan. The plan allocates the costs of central support services to other state departments and their respective fund sources.	IDG	N/A (254,900)
	Restricted	N/A 733,100
	GF/GP	N/A (\$478,200)
4. Transfer of State Records Center from DHAL	FTEs	N/A 13.0
Reflects the transfer of FTE positions and funding associated with the State Records Center from DHAL to DMB pursuant to E.O. 2009-36.	Gross	N/A \$1,674,000
	IDG	N/A 87,700
	Restricted	N/A 285,900
	GF/GP	N/A \$1,300,400

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
5. State Building Authority Rent Payments		Gross	\$231,822,100
Includes additional funding for projected rent payments for previously-constructed projects and reflects the elimination of state restricted funding as a result of paying off the note on the building occupied by the Bureau of State Lottery.	Restricted	1,520,000	(1,520,000)
	GF/GP	\$230,302,100	\$5,068,500
6. Eliminate Michigan State Fair	FTEs	10.0	(10.0)
Reflects elimination of FTE positions and funding associated with the Michigan State Fair.	Gross	\$6,605,300	(\$6,605,300)
	Restricted	6,605,300	(6,605,300)
	GF/GP	\$0	\$0
7. Transfer of Carpenters from DSP	FTEs	N/A	3.0
Reflects the transfer of carpenter positions from DSP to DMB. With the move of the DSP to its new headquarters, there will be less need for the positions there. They will be consolidated with DMB's staff that perform similar work.	Gross	N/A	\$282,700
	IDG	N/A	282,700
	GF/GP	N/A	\$0
8. Remove One-Time Funding for Study on Space	Gross	\$150,000	(\$150,000)
Reflects elimination of one-time funding included in the FY 2009 budget for the review of space utilization and preparation of plans on how to shift tenants to capture excess square footage in several buildings in the Capitol Complex.	IDG	150,000	(150,000)
	GF/GP	\$0	\$0
9. Professional Development Funds	Gross	\$25,000	\$25,000
Includes additional funding for AFSCME in accordance with collective bargaining agreements.	IDG	25,000	25,000
	GF/GP	\$0	\$0
10. Remove One-Time Funding for ORS Software	Gross	\$150,000	(\$150,000)
Reflects elimination of one-time funding included in the FY 2009 budget for upgrading Interactive Voice Response software at the Retirement Call Center.	Restricted	150,000	(150,000)
	GF/GP	\$0	\$0
11. Microsoft Upgrade	Gross	N/A	\$193,600
Includes additional funding for software to be upgraded to Microsoft Office Professional 2007 from Microsoft Office 2002.	IDG	N/A	43,500
	Restricted	N/A	52,500
	GF/GP	N/A	\$97,600
12. Information Technology Reductions	Gross	\$28,175,700	(\$151,600)
Reflects a savings due to the virtual storage of data (\$115,300 Gross; \$63,500 GF/GP) and a 2.0% administrative reduction to information technology-related costs (\$36,300 Gross; \$12,700 GF/GP).	IDG	889,100	0
	Restricted	13,730,900	(75,400)
	GF/GP	\$13,555,700	(\$76,200)
13. Economic Adjustments	Gross	N/A	\$2,233,200
Includes additional funding for salary and wage, insurance, retirement, workers' compensation premium, and private rent costs (\$2,265,100 Gross; \$997,300 GF/GP); reduces funding for building occupancy charges (\$31,900 Gross; \$80,600 GF/GP).	IDG	N/A	878,800
	Restricted	N/A	437,700
	GF/GP	N/A	\$916,700
14. GF/GP Reductions	Gross	N/A	(\$5,138,100)
Reduces GF/GP funding for the following line items: Executive Operations by \$114,500; Administrative Services by \$185,300; Budget and Financial Management by \$652,700; Building Operation Services by \$1,985,000; Business Support Services by \$235,000; Office of Children's Ombudsman by \$110,000; and Information Technology by \$1,855,600.	GF/GP	N/A	(\$5,138,100)
15. Fund Source Adjustments	Gross	N/A	\$0
Adjusts a number of fund sources in an effort to properly align allocations of funding with expenditures where they will occur. These adjustments are made in association with the overall reduction plan.	IDG	N/A	(1,250,500)
	Restricted	N/A	(303,400)
	GF/GP	N/A	\$1,553,900

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
CIVIL SERVICE COMMISSION	Gross	\$121,500	(\$121,500)
16. Internal Auditor Transfer	Restricted	87,500	(87,500)
Reflects a savings due to the transfer of internal audit services to the Department of Management and Budget pursuant to E.O. 2007-31.	GF/GP	\$34,000	(\$34,000)
17. Annualize Executive Order 2008-21 Reductions	FTEs	N/A	(4.0)
Reduces FTE positions and funding to reflect annualization of the 2.0% GF/GP reductions taken pursuant E.O. 2008-21.	Gross	N/A	(\$264,500)
	GF/GP	N/A	(\$264,500)
18. MDOC Facility Closures	FTEs	16.0	(18.0)
Reflects a savings as a result of reducing HR staff from the following Department of Corrections' facilities, or parts of facilities, which are closing: Scott, Deerfield, Branch, Standish, and Muskegon.	Gross	\$1,234,900	(\$1,234,900)
	GF/GP	\$1,234,900	(\$1,234,900)
19. MDCH Facility Closure	FTEs	4.0	(4.0)
Reflects a savings as a result of reducing HR staff from the Mt. Pleasant Center for Developmental Disabilities, a Department of Community Health facility which is closing.	Gross	\$373,900	(\$373,900)
	IDG	2,300	(2,300)
	Federal	68,100	(68,100)
	Local	12,000	(12,000)
	Private	1,500	(1,500)
	Restricted	96,800	(96,800)
	GF/GP	\$193,200	(\$193,200)
20. Eliminate FOIA Fund	Gross	\$1,100	(\$1,100)
Reflects elimination of the Freedom of Information Act fund source.	Restricted	1,100	(1,100)
	GF/GP	\$0	\$0
21. Office of Great Workplace Development	FTEs	5.0	(5.0)
Reflects elimination of FTE positions and funding associated with the Office of Great Workplace Development.	Gross	\$700,000	(\$700,000)
	Restricted	350,000	(350,000)
	GF/GP	\$350,000	(\$350,000)
22. Microsoft Upgrade	Gross	N/A	\$85,800
Includes additional funding for software to be upgraded to Microsoft Office Professional 2007 from Microsoft Office 2002.	Federal	N/A	36,800
	Restricted	N/A	30,700
	GF/GP	N/A	\$18,300
23. Information Technology Reductions	Gross	\$4,290,100	(\$8,400)
Reflects a savings due to the virtual storage of data (\$6,600 Gross; \$3,300 GF/GP) and a 2.0% administrative reduction to information technology-related costs (\$1,800 Gross; \$900 GF/GP).	IDG	2,500	0
	Federal	1,380,400	(2,200)
	Restricted	1,230,100	(2,000)
	GF/GP	\$1,677,100	(\$4,200)
24. Economic Adjustments	Gross	N/A	\$1,317,100
Includes additional funding for salary and wage, insurance, and retirement costs (\$1,325,800 Gross; \$567,500 GF/GP); reduces funding for workers' compensation premium costs and building occupancy charges (\$8,700 Gross; \$2,500 GF/GP).	IDG	N/A	28,700
	Federal	N/A	242,900
	Local	N/A	46,700
	Private	N/A	3,400
	Restricted	N/A	430,400
	GF/GP	N/A	\$565,000
25. GF/GP Reductions	Gross	N/A	(\$2,824,500)
Reduces GF/GP funding for the following line items: Agency Services by \$1,300,000; Executive Direction by \$374,500; Human Resources Operations by \$750,000; and Information Technology by \$400,000.	GF/GP	N/A	(\$2,824,500)

Boilerplate Changes From FY 2008-09

DEPARTMENT OF MANAGEMENT AND BUDGET

Sec. 716a. Supplier Diversity Program – DELETED

Appropriates \$400,000 to fund up to 4.0 FTE positions or to contract with private companies to implement a supplier diversity program.

Sec. 720. Internal Audit Services – DELETED

Requires sources of financing from other state departments and agencies for internal audit charges to fund internal audit services provided by DMB.

Boilerplate Changes From FY 2008-09

Sec. 724. Document and Data Imaging – NEW

Authorizes the Department to charge for document and data imaging services, copies, media, storage, conferences, workshops, and training classes, and appropriates the money collected to be used for providing the services.

Sec. 724a. Existing 2-1-1 Capacities – DELETED

Requires DMB to assist DIT in determining how existing 2-1-1 capacities will be utilized by each department with community resource information and referral service.

Sec. 725. Report on Unclassified Salaries – NEW

Requires that DMB prepare a report on all salaries of unclassified employees and gubernatorial appointees within state departments and agencies.

Sec. 727. Contract Savings – NEW

Requires the Department to take measures to reduce existing contract expenditures by \$20 million and lists required measures to be followed.

Sec. 754. Office of Great Workplace Development – NEW

Prohibits appropriations to be used for funding the Office of Great Workplace Development.

STATE
Summary: Enacted
Public Act 128 of 2009

Analyst: Ben Gielczyk

	FY 2008-09 YTD	FY 2009-10	FY 2009-10	FY 2009-10	FY 2009-10	Difference: Enacted From FY 2008-09 YTD	
		Rev. Executive	Senate	House	Enacted	Amount	%
IDG/IDT	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$0	0.0
Federal	5,673,700	1,810,000	1,810,000	1,810,000	1,810,000	(3,863,700)	(68.1)
Local	0	0	0	0	0	0	0.0
Private	100	100	100	100	100	0	0.0
Restricted	162,573,800	163,614,700	169,364,700	163,614,700	169,364,700	6,790,900	4.2
GF/GP	26,130,800	28,214,200	17,892,800	25,600,400	17,955,400	(8,175,400)	(31.3)
Gross	\$214,378,400	\$213,639,000	\$209,067,600	\$211,025,200	\$209,130,200	(\$5,248,200)	(2.4)
FTEs	1,815.0	1,815.0	1,815.0	1,815.0	1,815.0	0.0	0.0

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Department of State administers programs in eight areas: Driver Licensing and Vehicle Registration, which includes titling and registering vehicles; Elections and Campaign Finance Administration, which includes training local election officials and monitoring campaign finance; Regulatory and Consumer Protection, which includes inspecting and licensing automotive repair facilities; Traffic Safety, which includes driver testing; Office of the Great Seal; Assigned Claims Facility; Uniform Commercial Code; and Executive Direction and Central Support.

Budget Changes From FY 2008-09 YTD Appropriations		FY 2008-09 YTD	Enacted Change From YTD
1. Annualize Executive Order 2008-21 Reductions	Gross	N/A	(\$132,600)
Reduces funding to reflect annualization of the 2.0% GF/GP reductions taken pursuant to E.O. 2008-21.	GF/GP	N/A	(\$132,600)
2. Internal Auditor Transfer	Gross	\$148,600	(\$148,600)
Reflects a savings due to the transfer of internal audit services to the Department of Management and Budget pursuant to E.O. 2007-31.	Restricted	148,600	(148,600)
	GF/GP	\$0	\$0
3. Remove One-Time HAVA Funding	Gross	\$3,863,700	(\$3,863,700)
Reflects elimination of one-time federal Help America Vote Act grant funding that was included in the FY 2009 budget.	Federal	3,863,700	(3,863,700)
	GF/GP	\$0	\$0
4. Restricted Revenue Increase	Gross	N/A	\$5,750,000
Includes authorization to receive additional restricted revenue. A plan on how to obtain the revenue has yet to be developed.	Restricted	N/A	5,750,000
	GF/GP	N/A	\$0
5. Microsoft Upgrade	Gross	N/A	\$266,700
Includes additional funding for software to be upgraded to Microsoft Office Professional 2007 from Microsoft Office 2002.	Restricted	N/A	219,500
	GF/GP	N/A	\$47,200
6. Michigan Business Portal	Gross	N/A	\$54,000
Includes funding for the Department to participate in the Michigan Business One Stop Portal. The Website was implemented in the spring of 2009 to help centralize and streamline all aspects of doing business in Michigan.	Restricted	N/A	54,000
	GF/GP	N/A	\$0

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
7. Information Technology Reductions	Gross	\$24,537,300	(\$35,400)
Reflects a savings due to the virtual storage of data (\$29,700 Gross; \$2,900 GF/GP) and a 2.0% administrative reduction to information technology-related costs (\$5,700 Gross; \$300 GF/GP).	Restricted	20,201,300	(32,200)
	GF/GP	\$4,336,000	(\$3,200)
8. Economic Adjustments	Gross	N/A	\$3,120,200
Includes additional funding for salary and wage, insurance, retirement, and building occupancy costs (\$3,194,900 Gross; \$2,189,500 GF/GP); reduces funding for rent costs (\$74,700 Gross; \$17,500 GF/GP).	Restricted	N/A	948,200
	GF/GP	N/A	\$2,172,000
9. GF/GP Reductions	Gross	N/A	(\$10,258,800)
Reduces GF/GP funding for the following line items: Executive Direction Operations by \$5,000; Department Services Operations by \$910,000; Regulatory Services Operations by \$435,000; Customer Delivery Branch Operations by \$5,862,300; Customer Delivery Central Operations by \$2,909,300; and Information Technology by \$137,200. A portion of the savings are expected to occur from implementation of tableless license plates.	GF/GP	N/A	(\$10,258,800)

Boilerplate Changes From FY 2008-09

Sec. 805a. Help America Vote Act (HAVA) Report – NEW

Requires the Department to report on the activities and success of enforcement and compliance with the Help America Vote Act of 2002.

Sec. 815a. Report on Branch Office Transactions – DELETED

Requires the Department to report on the number of branch office transactions completed online.

Sec. 825. General Fund Expenditures – NEW

Requires the Department to use available restricted funds for expenditures before using general fund dollars.

Sec. 828. Performance Audit Report – NEW

Requires the Department to submit a report on improvements and changes made with regard to issues identified by the Auditor General in the 2009 cash receipts and branch office customer service audit.

TREASURY
Summary: Enacted
Public Act 128 of 2009

Analyst: Ben Gielczyk

	FY 2008-09 YTD	FY 2009-10	FY 2009-10	FY 2009-10	FY 2009-10	Difference: Enacted	
		Rev. Executive	Senate	House	Enacted	From FY 2008-09 YTD	
						Amount	%
IDG/IDT	\$10,894,700	\$11,120,800	\$11,120,800	\$11,120,800	\$11,120,700	\$226,000	2.1
Federal	92,307,700	93,579,600	92,729,600	92,729,700	93,579,600	1,271,900	1.4
Local	1,105,100	1,526,400	1,526,400	1,526,400	1,526,400	421,300	38.1
Private	715,600	723,700	723,700	723,700	723,700	8,100	1.1
Restricted	1,451,771,500	1,478,158,400	1,335,573,600	1,409,715,100	1,352,120,700	(99,650,800)	(6.9)
GF/GP	172,247,900	166,283,200	152,746,400	156,130,300	151,964,700	(20,283,200)	(11.8)
Gross	\$1,729,042,500	\$1,751,392,100	\$1,594,420,500	\$1,671,946,000	\$1,611,035,800	(\$118,006,700)	(6.8)
FTEs	1,846.5	1,869.5	1,864.5	1,864.5	1,866.5	20.0	1.1

Note: FY 2008-09 figures reflect supplementals and Executive Order (EO) actions through January 31, 2009.

Overview

The Department of Treasury is the chief fiscal agency of the state and the primary source of advice to the Governor on tax and fiscal policy issues. The Department's mission is to collect state taxes, to invest, control, and disburse state monies, and to protect the state's credit rating and that of its cities. The Department manages one of the nation's largest pension funds, administers revenue sharing, and administers the student financial aid programs. It also investigates fraudulent financial activity, provides assistance on all property tax-related issues, advises issuers of municipal obligations. The Bureau of State Lottery, the Michigan Gaming Control Board (MGCB), and the Michigan Strategic Fund (MSF) are autonomous agencies housed within the Department of Treasury. Funds and programs of the MSF are administered by the Michigan Economic Development Corporation (MEDC), which also administers the 21st Century Jobs Fund.

Budget Changes From FY 2008-09 YTD Appropriations	FY 2008-09 YTD	Enacted Change From YTD
EXECUTIVE DIRECTION		
1. Unclassified Positions		
Includes funding increase of \$5,000 to increase authorization and funding shift for 1/2 Dep. Treasurer. Federal funding (\$65,000) replaces \$60,000 GF/GP.	Gross	N/A \$5,000
	Federal	N/A 65,000
	GF/GP	N/A (\$60,000)
LOCAL GOVERNMENT PROGRAMS		
2. Supervision of General Property Tax Law		
Includes \$400,000 in local funding for an upgraded assessors manual. Transfers in \$400,000 GF/GP and 6.0 FTE positions of the revenue enhancement program. Includes \$50,000 GF/GP for telephone and telegraph appraisals and reduces by \$400,000 GF/GP for other administrative efficiencies.	FTEs	N/A 6.0
	Gross	N/A \$450,000
	Local	N/A 400,000
	GF/GP	N/A \$50,000
3. Blackstone Settlement		
Includes savings due to a funding shift by paying from Land Reutilization. Payments were included in P.A. 79 of 2009.	Gross	\$2,000,000 (\$2,000,000)
	GF/GP	\$2,000,000 (\$2,000,000)
TAX PROGRAMS		
4. Customer Contact		
Includes \$150,000 GF/GP and 2.0 FTE positions for implementation of automated tax processing program using software that helps auto-correct errors on tax returns. Includes \$200,000 for a tobacco stamp upgrade. Includes \$128,200 IDG as part of a Michigan Transportation Fund funding adjustment.	FTEs	137.0 2.0
	Gross	N/A \$478,200
	IDG	N/A 128,200
	Restricted	N/A 200,000
	GF/GP	N/A \$150,000

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
5. Tax Compliance	FTEs	318.0	20.0
Includes transfer of \$1.8 million and 20.0 FTE positions from the revenue enhancement program.	Gross	\$32,303,500	\$1,833,700
	Restricted	\$32,303,500	0
	GF/GP	\$0	\$1,833,700
6. Tax and Economic Policy	FTEs	78.0	3.0
Includes \$300,000 GF/GP and 2.0 FTE positions transferred from the revenue enhancement program. Includes \$160,000 and 1.0 FTE position for Principal Residence Exemption for tax appeal hearing referee.	Gross	\$8,377,600	\$460,000
	Restricted	6,888,100	160,000
	GF/GP	\$1,489,500	\$300,000
7. Revenue Enhancement Program	FTEs	34.0	(34.0)
Eliminates line item and transfers funding and FTE positions to various other line items.	Gross	\$4,749,200	(\$4,749,200)
	GF/GP	\$4,749,200	(\$4,749,200)
8. Michigan Business Tax	Gross	\$11,813,800	(\$6,500,000)
Reduces funding for Michigan Business Tax implementation by \$6.5 million GF/GP.	GF/GP	\$11,813,800	(\$6,500,000)
9. Property Tax Appeal	Gross	\$500,000	(\$500,000)
Eliminates property tax appeal program within the Department of Treasury.	GF/GP	\$500,000	(\$500,000)
BANKING AND MANAGEMENT			
10. Collections	FTEs	200.0	16.0
Includes \$215,000 GF/GP and 6.0 FTE positions from transfer of a portion of the revenue enhancement program. Includes \$895,000 GF/GP and 10.0 FTE positions for expanded enforcement activities.	Gross	\$19,888,800	\$1,110,500
	GF/GP	\$663,900	\$1,110,500
FINANCIAL PROGRAMS			
11. Investments	FTEs	80.0	2.0
Includes \$300,000 and 2.0 FTE positions for expanded risk management activities related to STARR investment oversight.	Gross	\$16,151,300	\$300,000
	Restricted	\$16,151,300	300,000
12. Michigan Education Savings Program (MESP)	Gross	\$800,000	(\$800,000)
Eliminates \$800,000 funding from Merit Award Trust Fund and language providing state match for contributions to the MESP.	Restricted	\$800,000	(800,000)
13. Work-Study Program	Gross	\$46,700	(\$46,700)
Eliminates college work-study program from Student Financial Assistance Program line item.	Restricted	\$46,700	(46,700)
DEBT SERVICE			
14. Debt Service Payments	Gross	\$83,123,000	(\$2,945,500)
Reduces funding by \$2.9 million based on principal and interest requirements of general obligation bond issues. Reduces Water Pollution Control Board (\$65,500), Clean Michigan Initiative (\$1,982,000), and Great Lakes Water Quality (\$1,253,100). Increases funding for Quality of Life Bond (\$355,100).	Restricted	15,514,500	0
	GF/GP	\$67,608,500	(\$2,945,500)
GRANTS			
15. Convention Facility Development Distribution	Gross	\$58,850,000	\$25,000,000
Includes \$25 million in restricted funds related to the enacted convention center redevelopment package.	Restricted	\$58,850,000	25,000,000
16. Commercial Mobile Radio Service (CMRS)	Gross	\$11,100,000	\$15,900,000
Increases by \$15.9 million to reflect current revenue estimates of \$27.0 million.	Restricted	\$11,100,000	15,900,000
17. Health and Safety Fund Grants	Gross	\$25,000,000	(\$16,000,000)
Reduces funding by \$16.0 million in restricted funds to reflect current revenue estimates.	Restricted	\$25,000,000	(16,000,000)

<u>Budget Changes From FY 2008-09 YTD Appropriations</u>		<u>FY 2008-09 YTD</u>	<u>Enacted Change From YTD</u>
STATE LOTTERY			
18. Lottery Sales Staff	FTEs	N/A	10.0
Increases funding for Lottery by \$835,000 Gross for 10.0 additional FTEs for sales representatives to monitor lottery sites at retailers in an effort to increase revenues.	Gross	N/A	\$835,000
	Restricted	N/A	835,000
19. Internal Audit Services	Gross	\$132,700	(\$132,700)
Eliminates funding for internal audit services. Transfers duties to Department of Management and Budget.	Restricted	\$132,700	(132,700)
CASINO GAMING			
20. Casino Gaming Control Administration	FTEs	114.0	1.0
Increases funding for MGCB by \$88,500 Gross for additional auditor needed to fulfill Board's responsibilities for new Nottawaseppi Tribe casino.	Gross	\$19,369,500	\$88,500
	Restricted	\$19,369,500	88,500
REVENUE SHARING			
21. Constitutional Revenue Sharing	Gross	\$675,992,000	(\$53,854,100)
Reduces revenue sharing payments by \$53.9 million. Fiscal Year 2009 YTD amounts were based on the January 2009 Consensus Revenue Estimating Conference (CREC) figures. The current-year estimated payments, based on the May 2009 CREC, are \$654.4 million.	Restricted	\$675,992,000	(53,854,100)
22. Statutory Revenue Sharing	Gross	\$406,933,000	(\$92,763,100)
Reduces statutory revenue sharing payments by \$92.8 million. Fiscal Year 2009 YTD amounts are based on the January 2009 Consensus Revenue Estimating Conference (CREC) figures. The current-year estimated payments, based on the May 2009 CREC, are \$388.0 million.	Restricted	\$406,933,000	(92,763,100)
23. County Revenue Sharing	Gross	\$2,394,500	\$52,897,200
Increases county revenue sharing payments by \$52.9 to fund the additional counties anticipated to be eligible again for payments. Counties become eligible when they exhaust their revenue sharing reserve funds.	Restricted	2,394,500	52,897,200
24. Special Grants	Gross	\$212,000	(\$212,000)
Eliminates funding for special revenue sharing grant payments.	GF/GP	\$212,000	(212,000)
PAYMENTS IN LIEU OF TAXES			
25. Payment in Lieu of Taxes (PILT)	Gross	\$14,189,200	(\$1,232,800)
Increases funding by \$100,000 restricted for increased purchased lands payment. Eliminates the Administration line item funded by a \$100 IDG from DNR. Reduces GF/GP by \$1.3 million.	IDG	100	(100)
	Restricted	2,350,000	100,000
	GF/GP	\$11,839,100	(\$1,332,700)
MISCELLANEOUS REDUCTIONS			
26. 2% Reduction Plan	Gross	N/A	(\$522,200)
Reduces funding to various line items as part of the Department of Management and Budget reduction plan.	IDG	N/A	(800)
	Federal	N/A	(900)
	Local	N/A	0
	Restricted	N/A	(80,000)
	GF/GP	N/A	(\$440,500)
27. Secondary Collection Contract	FTEs	N/A	(8.0)
Eliminates \$1.1 million and 8.0 FTEs associated with secondary tax collection contract that was not implemented. Funding is received from delinquent tax collection revenue.	Gross	N/A	(\$1,100,000)
	Restricted	N/A	(1,100,000)
28. Microsoft Upgrade/Michigan Business Portal Upgrade	Gross	N/A	\$255,300
Includes funding increase of \$255,300 Gross and \$46,300 GF/GP for Microsoft Office Professional software upgrade and business website portal.	Restricted	N/A	209,000
	GF/GP	N/A	\$46,300

Budget Changes From FY 2008-09 YTD Appropriations

	FY 2008-09 YTD	Enacted Change From YTD
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29. Economic Adjustments

Increases funding by \$4.4 million Gross and \$761,300 GF/GP for economics, which includes salaries and wages, retirement, building occupancy charges, workers' compensation, and insurance costs; includes Lottery and MGCB.

Gross	N/A	\$4,446,500
IDG	N/A	97,800
Federal	N/A	330,100
Local	N/A	21,300
Restricted	N/A	3,236,000
GF/GP	N/A	\$761,300

30. General Fund Reductions

Reduces various line items by a total of \$3.6 million GF/GP. Major reductions include: \$408,000 for Renaissance Zone Reimbursements, \$2.0 million for Senior Citizens Cooperative Housing, and \$687,000 for IT, among others.

Gross	N/A	(\$3,574,000)
GF/GP	N/A	(\$3,574,000)

MICHIGAN STRATEGIC FUND (MSF)**31. Michigan Strategic Fund**

Executive provides funding of \$163.7 million Gross and \$31.0 million GF/GP. **Senate** provides funding of \$118.5 million Gross and \$26.3 million GF/GP. **House** provides funding of \$137.7 million Gross and \$26.2 million GF/GP. **Conference Committee** provides funding of \$114.6 million and \$27.1 million GF/GP.

Gross	\$149,196,700	(\$34,934,300)
IDG	80,300	900
Federal	55,438,800	877,700
Private	715,600	8,100
Restricted	63,805,200	(33,799,900)
GF/GP	\$29,156,800	(\$2,021,100)

32. 21st Century Jobs Program Funding

Reduces funding by \$33.5 million from FY 2009 enacted level. FY 2009 enacted does not include reduction of \$9.0 million to the 21st Century Jobs Program Funding required by PA 61 of 2009.

Gross	\$62,000,000	(\$33,500,000)
Restricted	\$62,000,000	(33,500,000)

33. MSF Executive Order 2008-21 Reductions

Reduces funding for Economic Development Job Training administration by \$149,000 Gross and GF/GP to annualize the 2.0% GF/GP reduction taken by E.O. 2008-21 into FY 2010.

Gross	N/A	(\$149,000)
GF/GP	N/A	(\$149,000)

34. MSF General Fund Reductions

Reduces GF/GP funding in various line items by \$3.5 million GF/GP.

Gross	N/A	(\$3,485,300)
GF/GP	N/A	(\$3,485,300)

35. Michigan Council of the Arts and Cultural Affairs Transfer

Includes 2.0 FTEs and \$2.3 million Gross and \$1.4 million GF/GP for transfer of Council for Arts and Cultural Affairs from DHAL. FTE positions were placed in Job Creation Services line item.

FTEs	N/A	2.0
Gross	N/A	\$2,267,400
Federal	N/A	850,000
GF/GP	N/A	\$1,417,400

36. Business Incubator Program

Includes \$1.3 million for 10 business incubators. Executive vetoed two business incubators, (Isabella County and Oakland County), totaling \$350,000.

Gross	\$1,250,000	(\$300,000)
Restricted	1,250,000	(300,000)
GF/GP	\$0	\$0

37. MSF Economic Adjustments

Includes \$232,600 Gross and \$195,800 GF/GP funding for economics which include increased funding for salaries and wages, retirement, workers' compensation, building occupancy charges, and insurance costs.

Gross	N/A	\$232,600
IDG	N/A	900
Federal	N/A	27,700
Private	N/A	8,100
Restricted	N/A	100
GF/GP	N/A	\$195,800

Boilerplate Changes From FY 2008-09**DEPARTMENT OF TREASURY****Sec. 920. Grants to Counties in Lieu of Taxes – DELETED**

Authorizes grants to counties in lieu of taxes for lands transferred to the federal government.

Sec. 927. Telephone / Telegraph Reappraisals – DELETED

States legislative intent that telephone/telegraph reappraisals be funded at \$1.5 million by supplemental appropriations.

Boilerplate Changes From FY 2008-09

Sec. 930a. Secondary Collections Activities – DELETED

Requires Department to select a private collection agency for secondary collection activities in order to benchmark primary agency performance for individual tax, discontinued business tax, state agency accounts, and active business tax accounts older than 36 months; requires quarterly report.

Sec. 933. Michigan Education Savings Program – DELETED

Requires Michigan Education Savings Program funds be used as state match for funds invested on behalf of children; state to provide \$1 for each \$3 contributed with \$200 maximum match; state match only for first year of enrollment.

Sec. 938. PILT Payments – REVISED

Revises language to provide legislative intent that Department work with local units to improve PILT system on purchased lands; requires report by January 1.

Sec. 941. Medical Pension Liability – DELETED

Directs Department to analyze new insurance products to address medical pension liability for state retirees.

Sec. 942. Field Collection Report – NEW

Requires Department to report on additional revenue collection related to increased field staff.

Sec. 944. Pension Plan Consultant Report – REVISED

Requires Department to forward any report from a pension plan consultant to Legislature and state budget director. Revises language to require report be forwarded within 30 days.

Sec. 949. Tobacco Stamp Program – NEW

Directs Department to explore the possibility of a public-private partnership for new tobacco stamp technology; requires report.

Sec. 950. Revenue Sharing – REVISED

Directs distribution of constitutional and statutory revenue sharing payments to cities, villages and townships; includes 2% additional statutory payments to local units that received statutory payments in FY 2006-07. Revises to require payments to be at 88.94% of previous year.

Sec. 952. Grants to Cities with Emergency Financial Managers – DELETED

Requires appropriations for special grants to cities to be used to restore past revenue sharing reductions to cities which had an emergency financial manager appointed to them.

Sec. 955. County Revenue Sharing – REVISED

Revises and requires payments to counties be at 88.94% of the sum of the previous year payments and reserve fund expenditures.

MICHIGAN STRATEGIC FUND (MSF)

Sec. 1002. Economic Development Job Training (EDJT) Grants – REVISED

Revises language by retaining current name for program, deleting 16 year old requirement and employer 50% match language, and reducing allocation for aerospace funding to \$250,000.

Sec. 1014. Michigan Core Communities Fund – REVISED

Revises language outlining the purposes and uses of the fund and procedures for grant distribution.

Sec. 1032. Film Office Report – REVISED

Requires report from Film Office on film tax credit program. Revises language to require more detailed report.

Sec. 1034. Business Incubator Program – VETOED

Stipulates funding be awarded competitively to operational business incubators in five counties. Includes 10 incubators. **Executive vetoed** the business incubator programs in Isabella County and Oakland County leaving 8 business incubator programs.

Sec. 1035. Michigan Council for Arts and Cultural Affairs (MCACA) Arts and Cultural Grants – NEW

Executive included language that authorizes new planning grant program and specifies awards to help complete planning documents for remodeling, repair, renovation, or construction of arts and cultural institutions. Revises to include language that requires the MCACA to develop an arts and cultural grant program; requires report.