

ALL GENERAL GOVERNMENT

Summary: As Passed by the Senate

HB 5880 (S-1)



Analysts: Robin R. Risko and Ben Gielczyk

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$645,839,400	\$646,991,900	\$646,991,900	\$643,119,000		(\$2,720,400)	(0.4)
Federal	133,337,400	109,610,400	109,610,400	279,459,700		146,122,300	109.6
Local	3,089,200	3,446,900	3,446,900	3,417,600		328,400	10.6
Private	1,265,700	1,423,100	1,423,100	1,423,100		157,400	12.4
Restricted	1,664,754,900	1,716,727,100	1,724,871,800	1,685,816,200		21,061,300	1.3
GF/GP	647,300,400	677,462,500	667,819,900	672,558,200		25,257,800	3.9
Gross	\$3,095,587,000	\$3,155,661,900	\$3,154,164,000	\$3,285,793,800		\$190,206,800	6.1
FTEs	7,513.7	7,394.2	7,394.2	7,699.2		185.5	2.5

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

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, State, Technology, Management, and Budget (including the former Departments of Civil Service and Information Technology), and Treasury (including Bureau of State Lottery, Michigan 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 2009-10

GENERAL SECTIONS OF BOILERPLATE

The **Executive** deleted all of the following sections:

- Sec. 205. Hiring Freeze
- Sec. 212. Receipt and Retention of Required Reports
- Sec. 215. Disciplinary Action Against State Employees
- Sec. 217. General Fund Restrictions
- Sec. 221. Policy Changes to Implement Public Acts
- Sec. 227. No-Bid Contracts
- Sec. 228. General Fund Lapses

The **House** and **Senate** retain each section.

Sec. 206. Budgetary Savings – NEW

The **House** includes language which requires negative appropriations for budgetary savings to be satisfied from the hiring freeze and by other savings identified by the department director and approved by the state budget director; requires appropriation authorizations to be adjusted after the approval of legislative transfers. Authorizes state budget director to reduce federal, local, private, and state restricted appropriations associated with reductions made to general fund. The **Senate** does not include this language.

Sec. 229. Initiatives and Recommendations Related to Savings Identified in Audit Reports – NEW

Requires state departments and agencies to report on their efforts and progress made toward achieving savings and efficiencies that are identified by the auditor general in audit reports. The **House** and **Senate** include this language.

Sec. 230. FTE Positions and Transparency Websites - NEW

Requires reports from executive branch departments and agencies on the number of FTE positions in pay status by civil service classification. Also requires executive branch departments and agencies to develop, post, and maintain Internet sites showing all expenditures. The **House** and **Senate** include this language.

ALL GENERAL GOVERNMENT

Boilerplate Changes From FY 2009-10

Sec. 231. Transparency Website Expenditure - NEW

Prohibits departments from expending more than \$10,000 to implement transparency websites. The **House** and **Senate** include this language.

ATTORNEY GENERAL

Summary: As Passed by the Senate
HB 5880 (S-1)

Analyst: Robin R. Risko

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$21,289,800	\$21,762,300	\$21,762,300	\$21,261,300		(\$28,500)	(0.1)
Federal	8,277,800	8,656,000	8,656,000	8,508,800		231,000	2.8
Local	0	0	0	0		0	0.0
Private	0	0	0	0		0	0.0
Restricted	15,521,000	15,290,800	15,290,800	14,967,900		(553,100)	(3.6)
GF/GP	28,785,000	29,168,000	28,196,000	28,580,100		(204,900)	(0.7)
Gross	\$73,873,600	\$74,877,100	\$73,905,100	\$73,318,100		(\$555,500)	(0.8)
FTEs	543.0	520.0	520.0	520.0		(23.0)	(4.2)

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

Overview

The Attorney General serves as legal counsel for state departments, agencies, boards, and 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.

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
1. SOCC Reduction	Gross	\$124,900	(\$9,100)	(\$9,100)
Reflects a savings due to a 10% reduction in the Attorney General's salary, effective January 1, 2011, as recommended by SOCC and approved by the Legislature (SCR 11 of 2009).	GF/GP	\$124,900	(\$9,100)	(\$9,100)
2. GF/GP Budget Reductions	FTEs	500.0	(15.0)	(15.0)
Reflects a savings to be achieved by reducing department staff by 15.0 FTE positions and applying administrative rate reductions to information technology costs.	Gross	\$68,300,800	(\$1,142,300)	(\$1,142,300)
	GF/GP	\$26,237,000	(\$1,142,300)	(\$1,142,300)
3. Eliminate Homeowner Construction Lien Fund	FTEs	4.0	(4.0)	(4.0)
Reflects a reduction of 4.0 FTE positions and a savings due to elimination of the Homeowner Construction Lien Fund.	Gross	\$566,100	(\$566,100)	(\$566,100)
	Restricted	566,100	(566,100)	(566,100)
4. Eliminate Auto Theft Prevention Grant	FTEs	4.0	(4.0)	(4.0)
Reflects a reduction of 4.0 FTE positions and a savings due to elimination of the Auto Theft Prevention grant from the Department of State Police.	Gross	\$420,000	(\$420,000)	(\$420,000)
	IDG	420,000	(420,000)	(420,000)

ATTORNEY GENERAL

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
5. Eliminate Funding for Defense of Game and Fish Protection Fund	Gross	\$150,000	(\$150,000)	(\$150,000)
	Restricted	150,000	(150,000)	(150,000)
Reflects a savings due to elimination of funding for defense of the Game and Fish Protection Fund.				
6. DTMB Consolidation	Gross	N/A	(\$2,300)	(\$2,300)
	GF/GP	N/A	(\$2,300)	(\$2,300)
Reflects a savings due to the consolidation of the Departments of Management and Budget and Information Technology pursuant to EO 2009-55.				
7. Economics	Gross	N/A	\$3,293,300	\$3,293,300
	IDG	N/A	892,500	892,500
	Federal	N/A	378,200	378,200
	Restricted	N/A	485,900	485,900
	GF/GP	N/A	\$1,536,700	\$1,536,700
Includes additional funding to cover costs of a 3% salary and wage increase, as well as increases in insurance, retirement, and workers' compensation premium costs; reduces funding for building occupancy charges.				
8. Budgetary Savings	Gross	N/A	(\$972,000)	\$0
	GF/GP	N/A	(\$972,000)	\$0
Includes a budgetary savings line item and a reduction of \$901,800, or 3.1%, to general fund appropriations. The department will have the authority to determine how to achieve the savings. Also includes a reduction of \$70,200, the amount equal to the general fund portion of the 3% salary and wage increase, plus FICA and related retirement costs for classified union employees.				
9. Reduction of Funding for 3% S&W Increase	Gross	N/A	\$0	(\$1,559,000)
	IDG	N/A	0	(501,000)
	Federal	N/A	0	(147,200)
	Restricted	N/A	0	(322,900)
	GF/GP	N/A	\$0	(\$587,900)
Reduces funding by an amount estimated to cover costs of the 3% salary and wage increase, to include related FICA and retirement, for union and non-union employees.				

Boilerplate Changes From FY 2009-10**Sec. 313. Settlement and Penalty Revenue – NEW**

The **House** includes language which prohibits money or proceeds received by the Department for debts, penalties, or lawsuit settlements from being expended or disbursed until appropriated; prohibits the Department from agreeing to accept payment or benefits to a third party in lieu of a debt or obligation due the state; requires a quarterly report on every matter settled by the Attorney General in the previous quarter. The **Senate** does not include this language.

Sec. 314. Medicaid False Claim Act Revenue – NEW

The **Senate** includes language which appropriates revenue collected by the Department, under the Medicaid False Claim Act, for the purpose for which it was received; authorizes carry forward.

CIVIL RIGHTS

Summary: As Passed by the Senate
HB 5880 (S-1)

Analyst: Robin R. Risko

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0		\$0	0.0
Federal	2,057,300	1,750,000	1,750,000	1,750,000		(307,300)	(14.9)
Local	0	0	0	0		0	0.0
Private	0	0	0	0		0	0.0
Restricted	0	53,000	53,000	53,000		53,000	100.0
GF/GP	11,706,400	11,279,100	10,756,500	10,988,100		(718,300)	(6.1)
Gross	\$13,763,700	\$13,082,100	\$12,559,500	\$12,791,100		(\$972,600)	(7.1)
FTEs	130.0	118.0	118.0	118.0		(12.0)	(9.2)

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

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 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
1. GF/GP Budget Reductions	FTEs	125.0	(10.0)	(10.0)
Reflects a savings to be achieved by carrying forward a reduction of 10.0 FTE positions from FY 2009-10 and applying administrative rate reductions to information technology costs.	Gross	\$13,496,600	(\$936,500)	(\$936,500)
	GF/GP	\$11,439,300	(\$936,500)	(\$936,500)
2. Federal Funding Contract Decrease	Gross	\$2,057,300	(\$307,300)	(\$307,300)
Reduces federal Equal Employment Opportunity Commission grant funding by \$195,000 and United States Department of Housing and Urban Development funding by \$112,300 based on projections of anticipated revenue.	Federal	2,057,300	(307,300)	(307,300)
3. Accounting Service Consolidation	FTEs	125.0	(2.0)	(2.0)
Reflects a reduction of 2.0 FTE positions and a savings due to the transfer of accounting functions from the Department of Civil Rights to the Department of Technology, Management, and Budget.	Gross	\$12,728,600	(\$88,600)	(\$88,600)
	GF/GP	\$10,686,300	(\$88,600)	(\$88,600)
4. Fund Source Shift	Gross	N/A	\$0	\$0
Reflects an increase in state restricted funding and a decrease in GF/GP funding by a like amount.	Restricted	N/A	53,000	53,000
	GF/GP	N/A	(\$53,000)	(\$53,000)

CIVIL RIGHTS

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
5. DTMB Consolidation	Gross	N/A	(\$700)	(\$700)
Reflects a savings due to the consolidation of the Departments of Management and Budget and Information Technology pursuant to EO 2009-55.	GF/GP	N/A	(\$700)	(\$700)
6. Economics	Gross	N/A	\$651,500	\$651,500
Includes additional funding to cover costs of a 3% salary and wage increase, as well as increases in insurance, retirement, and workers' compensation premium costs; reduces funding for building occupancy charges.	GF/GP	N/A	\$651,500	\$651,500
7. Budgetary Savings	Gross	N/A	(\$522,600)	\$0
Includes a budgetary savings line item and a reduction of \$350,100, or 3.1%, to general fund appropriations. The department will have the authority to determine how to achieve the savings. Also includes a reduction of \$172,500, the amount equal to the general fund portion of the 3% salary and wage increase, plus FICA and related retirement costs for classified union employees.	GF/GP	N/A	(\$522,600)	\$0
8. Reduction of Funding for 3% S&W Increase	Gross	N/A	\$0	(\$291,000)
Reduces funding by an amount estimated to cover costs of the 3% salary and wage increase, to include related FICA and retirement, for union and non-union employees.	GF/GP	N/A	\$0	(\$291,000)

Boilerplate Changes From FY 2009-10

None

EXECUTIVE OFFICE

Summary: As Passed by the Senate

HB 5880 (S-1)

Analyst: Robin R. Risko

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0		\$0	0.0
Federal	0	0	0	0		0	0.0
Local	0	0	0	0		0	0.0
Private	0	0	0	0		0	0.0
Restricted	0	0	0	0		0	0.0
GF/GP	4,823,700	4,630,800	4,498,300	4,630,800		(192,900)	(4.0)
Gross	\$4,823,700	\$4,630,800	\$4,498,300	\$4,630,800		(\$192,900)	(4.0)
FTEs	84.2	84.2	84.2	84.2		0.0	0.0

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

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: Executive, Cabinet Affairs and Management, Chief Operating Officer, External Affairs, Legal, Operations, Appointments, Constituent Services, Policy, Communications, Legislative Affairs, Scheduling, and the Governor's offices in Washington D.C., Southeastern Michigan, and the Upper Peninsula.

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
1. SOCC Reduction	Gross	\$3,973,900	(\$18,600)	(\$18,600)
Reflects a savings due to a 10% reduction in the salaries and expense allowances of the Governor and Lieutenant Governor, effective January 1, 2011, as recommended by SOCC and approved by the Legislature (SCR 11 of 2009).	GF/GP	\$3,973,900	(\$18,600)	(\$18,600)
2. GF/GP Budget Reductions	Gross	\$3,673,000	(\$174,300)	(\$174,300)
Reflects a savings to be achieved through administrative reductions.	GF/GP	\$3,673,000	(\$174,300)	(\$174,300)
3. Budgetary Savings	Gross	N/A	(\$132,500)	\$0
Includes an additional 2.9% reduction to general fund appropriations. The Executive Office will have the authority to determine how to achieve the savings.	GF/GP	N/A	(\$132,500)	\$0

Boilerplate Changes From FY 2009-10

There is no boilerplate for the Executive Office.

LEGISLATURE

LEGISLATURE

Summary: As Passed by the Senate HB 5880 (S-1)

Analyst: Robin R. Risko

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0		\$0	0.0
Federal	0	0	0	0		0	0.0
Local	0	0	0	0		0	0.0
Private	400,000	400,000	400,000	400,000		0	0.0
Restricted	1,109,800	1,109,800	1,109,800	1,109,800		0	0.0
GF/GP	104,764,900	100,574,300	98,323,300	100,574,300		(4,190,600)	(4.0)
Gross	\$106,274,700	\$102,084,100	\$99,833,100	\$102,084,100		(\$4,190,600)	(3.9)
FTEs	0.0	0.0	0.0	0.0		0.0	0.0

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

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 Legislature enacts the laws of Michigan, levies taxes, and appropriates funding from revenue collected for the support of public institutions and the administration of the affairs of state government. 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.

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
1. SOCC Reduction	Gross	\$69,007,800	(\$1,249,500)	(\$1,249,500)
Reflects a savings due to a 10% reduction in the salaries, supplemental salaries, and expense allowances of members of the Legislature, effective January 1, 2011, as recommended by SOCC and approved by the Legislature (SCR 11 of 2009).		GF/GP \$69,007,800	(\$1,249,500)	(\$1,249,500)
2. GF/GP Budget Reductions	Gross	\$106,274,700	(\$2,941,100)	(\$2,941,100)
Reflects a savings to be achieved through administrative reductions.		GF/GP \$104,764,900	(\$2,941,100)	(\$2,941,100)
3. Budgetary Savings	Gross	N/A	(\$2,251,000)	\$0
Includes an additional 2.2% reduction to general fund appropriations. The Legislature will have the authority to determine how to achieve the savings.		GF/GP N/A	(\$2,251,000)	\$0

Boilerplate Changes From FY 2009-10

Sec. 603. National Association Dues – DELETED

The **House** deletes language which requires \$51,000 to be paid annually to the National Conference of Commissioners on Uniform State Laws. The **Senate** retains this language.

Boilerplate Changes From FY 2009-10

Sec. 610. Health Insurance Benefits – DELETED

The **House** deletes language which prohibits funding from being used to pay for health insurance benefits for unmarried domestic partners of legislators or legislative employees. The **Senate** retains this language.

LEGISLATIVE AUDITOR GENERAL
Summary: As Passed by the Senate
HB 5880 (S-1)

Analyst: Robin R. Risko

IDG/IDT	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$1,801,500	\$1,801,500	\$1,801,500	\$1,801,500		\$0	0.0
Federal	0	0	0	0		0	0.0
Local	0	0	0	0		0	0.0
Private	0	0	0	0		0	0.0
Restricted	1,539,900	1,539,900	1,539,900	1,539,900		0	0.0
GF/GP	11,619,800	11,155,000	10,808,800	11,155,000		(464,800)	(4.0)
Gross	\$14,961,200	\$14,496,400	\$14,150,200	\$14,496,400		(\$464,800)	(3.1)
FTEs	0.0	0.0	0.0	0.0		0.0	0.0

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

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 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
1. GF/GP Budget Reductions	Gross	\$14,647,700	(\$464,800)	(\$464,800)
Reflects a savings to be achieved through administrative reductions.	GF/GP	\$11,306,300	(\$464,800)	(\$464,800)
2. Budgetary Savings	Gross	N/A	(\$346,200)	\$0
Includes an additional 3.1% reduction to general fund appropriations. The Auditor General will have the authority to determine how to achieve the savings.	GF/GP	N/A	(\$346,200)	\$0

Boilerplate Changes From FY 2009-10

None

STATE

Summary: As Passed by the Senate

HB 5880 (S-1)

Analyst: Ben Gielczyk

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000		\$0	0.0
Federal	1,810,000	1,810,000	1,810,000	1,810,000		0	0.0
Local	0	0	0	0		0	0.0
Private	100	100	100	100		0	0.0
Restricted	169,364,700	176,578,000	176,578,000	173,705,300		4,340,600	2.6
GF/GP	17,955,400	14,179,200	13,593,800	13,950,900		(4,004,500)	(22.3)
Gross	\$209,130,200	\$212,567,300	\$211,981,900	\$209,466,300		\$336,100	0.2
FTEs	1,815.0	1,815.0	1,815.0	1,815.0		0.0	0.0

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

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 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
1. GF/GP Reductions	Gross	N/A	(\$1,182,300)	(\$1,182,300)
Reduces GF/GP funding for the following line items: Regulatory Services Operations by \$287,600; Customer Delivery Branch Operations by \$277,900; Central Operations by \$277,500; Department Services Operations by \$272,300; Executive Direction Operations by \$7,000; and Information Technology Administrative reductions of \$60,000.	GF/GP	N/A	(\$1,182,300)	(\$1,182,300)
2. Department of Technology, Management and Budget Savings	Gross	N/A	(\$22,500)	(\$22,500)
Includes consolidated savings from the merger of Department of Management and Budget (DMB) and Department of Information Technology (DIT) under Executive Order 2009-55.	Restricted	N/A	(20,700)	(20,700)
	GF/GP	N/A	(\$1,800)	(\$1,800)
3. Business Application Modernization (BAM)	Gross	(\$4,550,000)	(\$4,550,000)	(\$4,550,000)
Eliminates total funding for BAM due to the completion of the project by DIT. BAM program is an end-to-end review of business processes which will allow for more online transactions, reduce error, expand form of payment, and other electronic and online upgrades.	Restricted	(1,800,000)	(1,800,000)	(1,800,000)
	GF/GP	(\$2,750,000)	(\$2,750,000)	(\$2,750,000)

STATE

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
4. Credit and Debit Card Service Assessment	Gross	N/A	\$1,000,000	\$1,000,000
Includes additional funding for credit and debit card service assessment. Funding was formerly a boilerplate appropriation in Sec. 816 of the FY 2009-10 Department of State budget.	Restricted	N/A	1,000,000	1,000,000
	GF/GP	N/A	\$0	\$0
5. Organ Donor Program	Gross	\$104,100	(\$25,000)	(\$25,000)
Reduced funding for organ donor program with targeted reductions for department.	Private	100	0	0
	GF/GP	\$104,000	(\$25,000)	(\$25,000)
6. State Officers Compensation Commission (SOCC) Adjustment	Gross	\$124,900	(\$9,100)	(\$9,100)
Reduces funding for Secretary of State salary as part of SOCC adopted salary reductions. Reductions will be applied to nine months of salary as SOCC recommendations do not take effect until January 1, 2011.	GF/GP	\$124,900	(\$9,100)	(\$9,100)
7. Economic Adjustments	Gross	N/A	\$8,226,000	\$8,226,000
Includes additional funding for salary and wage, insurance, retirement, and rent (\$8.2 million Gross; \$505,900 million GF/GP); reduces funding for worker's compensation and building occupancy costs (\$464,300 Gross; \$401,300 GF/GP). Also includes DIT economic adjustment increases of \$492,300 Gross and \$87,400 GF/GP.	Restricted	N/A	8,034,000	8,034,000
	GF/GP	N/A	\$192,000	\$192,000
8. Budgetary Savings	Gross	N/A	(\$585,400)	\$0
Includes a budgetary savings line item and a reduction of \$436,500, or 3.1%, to general fund appropriations. The department will have the authority to determine how to achieve the savings. Also includes a reduction of \$148,900, the amount equal to the general fund portion of the 3% salary and wage increase, plus FICA and related retirement costs for classified union employees.	GF/GP	N/A	(\$585,400)	\$0
9. Reduction of Funding for 3% S&W Increase	Gross	N/A	\$0	(\$3,101,000)
Reduces funding by an amount estimated to cover costs of the 3% salary and wage increase, to include related FICA and retirement, for union and non-union employees.	Restricted	N/A	0	(2,872,700)
	GF/GP	N/A	\$0	(\$228,300)

Boilerplate Changes From FY 2009-10

The **Executive** deleted all of the following sections:

Sec. 805a. Help America Vote Act (HAVA) Report (House Sec. 706)
Sec. 815. Branch Office Closings or Consolidations (House Sec. 714)
Sec. 818. Motorcycle Safety Education Program (House Sec. 716)
Sec. 824. Buena Vista Township Branch Office (House Sec. 718)
Sec. 825. General Fund Expenditures (House Sec. 719)
Sec. 827. Branch Office Locations in Urban Areas (House Sec. 720)
The **House** and **Senate** retain each section.

Sec. 715. Credit and Debit Card Service Assessment - REVISED

Stipulates that service assessments collected by the department of state from the user of a credit or debit card is appropriated to the department for necessary expenses related to that service. Removes language indicating that funds are allocated for expenditure when they are received by the Department of Treasury because funding was moved to Part 1 appropriation. The **House** and **Senate** include the revised language.

Boilerplate Changes From FY 2009-10

Sec. 719. Business Application Modernization (BAM) Project - DELETED

Appropriates \$4.6 million funding for the BAM Project to be used for development, implementation, and maintenance of BAM. The **House** and **Senate** delete this language.

Sec. 721. ATM Commission Fees - NEW

Allows the Department to collect ATM commission fees from companies that have ATM's located in Secretary of State branch offices. Requires commission fees collected to be deposited in the Transportation Administration Collection Fund. The **House** and **Senate** include this language.

Sec. 728. Performance Audit Report – DELETED

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. The **House** and **Senate** delete this language.

Sec. 716a. BAM Project - NEW

The **Senate** includes language which requires \$6.0 million of unexpended project funds to lapse to the general fund.

Sec. 716b. BAM Report - NEW

The **Senate** includes language which requires the Department to report on funding expended for the project since its inception.

Sec. 716c. Network Connectivity - NEW

The **Senate** includes language which requires a report that includes an assessment of the optimal network connectivity in branch offices and makes recommendations on how to best meet the demands of increased online transactions.

TECHNOLOGY, MANAGEMENT, AND BUDGET
Summary: As Passed by the Senate
HB 5880 (S-1)

Analyst: Robin R. Risko

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$584,509,400	\$589,368,200	\$589,368,200	\$585,897,800		\$1,388,400	0.2
Federal	11,219,800	2,917,800	2,917,800	2,917,800		(8,302,000)	(74.0)
Local	2,027,600	1,380,400	1,380,400	1,380,400		(647,200)	(31.9)
Private	151,900	170,800	170,800	170,800		18,900	12.4
Restricted	72,200,500	84,881,000	84,881,000	83,804,000		11,603,500	16.1
GF/GP	293,574,300	304,346,000	302,271,200	301,381,300		7,807,000	2.7
Gross	\$963,683,500	\$983,064,200	\$980,989,400	\$975,552,100		\$11,868,600	1.2
FTEs	3,038.0	2,971.5	2,971.5	2,971.5		(66.5)	(2.2)

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

Overview

The Department of Technology, Management and Budget was recently created pursuant to Executive Order 2009-55. The EO merges the former Departments of Information Technology and Management and Budget. The Department of Technology, Management, and Budget is an interdepartmental service and management agency responsible for ensuring proper financial record keeping for state agencies; managing capital outlay projects, state property, state buildings, state purchasing programs, and the state's retirement systems; supervising the state's motor vehicle fleet; providing office and building support services to state agencies; and acting as a general contractor between the state's information technology users and private sector providers of information technology products and services. The Department houses the Office of the State Budget, which prepares, presents, and executes the state budget on behalf of the Governor, and several other autonomous units: Office of the State Employer, Office of the Children's Ombudsman, State Building Authority, and Civil Service Commission.

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
MANAGEMENT AND BUDGET				
1. SBA Rent Increase	Gross	\$235,370,600	\$10,000,000	\$10,000,000
Includes additional funding for State Building Authority rent payments. Adjustments are made based on a number of factors including project start and end dates, delays, refinancing, refunding, the number of current projects underway, and assumptions of upcoming finance needs for planned projects.	GF/GP	\$235,370,600	\$10,000,000	\$10,000,000
2. Gubernatorial Transition	Gross	N/A	\$1,500,000	\$1,500,000
Includes additional funding for costs associated with the gubernatorial transition. Funding is used for both the outgoing and the incoming governor and covers expenses associated with staff, leave payments, unemployment benefits, office space, supplies, moving, and other related costs.	GF/GP	N/A	\$1,500,000	\$1,500,000

TECHNOLOGY, MANAGEMENT, AND BUDGET

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
3. Accounting Service Consolidation	FTEs	N/A	8.0	8.0
Includes an additional 8.0 FTE positions and funding to reflect the transfer of accounting functions from the Department of Civil Rights, the Civil Service Commission, and the Office of the State Employer to Management and Budget.	Gross	N/A	\$859,600	\$859,600
	IDG	N/A	859,600	859,600
4. New Building Operations and Private Rent Adjustment	Gross	N/A	\$861,600	\$861,600
Includes an additional \$785,200 to cover utility and maintenance costs at the State Police headquarters building and an additional \$76,400 for private rent adjustments at One Division and Rickle Road Lab buildings.	IDG	N/A	861,600	861,600
5. Audits of Public School Employer Units	FTEs	N/A	2.0	2.0
Includes an additional 2.0 FTE positions and funding for costs associated with conducting audits of retirement data submitted by public school employer reporting units. This data includes wages, hours, and contributions of public school employees.	Gross	N/A	\$180,500	\$180,500
	Restricted	N/A	180,500	180,500
6. SWCAP-related Fund Source Shifts	Gross	N/A	\$0	\$0
Adjusts IDG, federal, state restricted, and GF/GP fund sources in order to reflect how departmental and statewide overhead costs should be financed according to the most recent Statewide Cost Allocation Plan (SWCAP). The Plan allocates the costs of providing central support services to other state departments and their respective fund sources.	IDG	N/A	(48,300)	(48,300)
	Federal	N/A	(266,700)	(266,700)
	Restricted	N/A	2,706,000	2,706,000
	GF/GP	N/A	(\$2,391,000)	(\$2,391,000)
7. Building Operations Reductions	FTEs	253.0	(2.0)	(2.0)
Reflects a reduction of 2.0 FTE positions and funding due to building contract reductions (\$601,000), savings from reorganization (\$500,000), and further staff restructuring (\$156,900).	Gross	\$87,784,000	(\$1,257,900)	(\$1,257,900)
	IDG	87,784,000	(1,257,900)	(1,257,900)
8. Eliminate Professional Development Funds	Gross	\$200,000	(\$200,000)	(\$200,000)
Reflects a savings due to elimination of professional development funds for NEREs and MSCs.	IDG	200,000	(200,000)	(200,000)
9. DTMB Consolidation	FTEs	N/A	(0.5)	(0.5)
Reflects a reduction in FTE positions and a savings due to the consolidation of the Departments of Management and Budget and Information Technology pursuant to EO 2009-55.	Gross	N/A	(\$304,100)	(\$304,100)
	IDG	N/A	(114,600)	(114,600)
	Restricted	N/A	(22,800)	(22,800)
	GF/GP	N/A	(\$166,700)	(\$166,700)
10. Federal Funding Authorization	Gross	N/A	\$100	\$100
Includes authorization for the department to receive federal funding if it becomes available. The Records Management Services program which was transferred to Management and budget from the former Department of History, Arts, and Libraries has received federal grant funding in the past.	Federal	N/A	100	100

TECHNOLOGY, MANAGEMENT, AND BUDGET

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
11. Budget Reductions Reflects a reduction of 41.0 FTE positions and a savings due to a reduction of staff and support services provided, a reduction of on call hours and system maintenance for MAIN, a reduction in funding for the Center for Education Performance Information, from applying administrative rate reductions to information technology costs, from not filling vacant FTE positions, and from adjusting FTE authorization to reflect actual funded positions.	FTEs	N/A	(41.0)	(41.0)
	Gross	N/A	(\$772,000)	(\$772,000)
	Restricted	N/A	(156,800)	(156,800)
	GF/GP	N/A	(\$615,200)	(\$615,200)
12. Management and Budget Economics Includes additional funding to cover costs of a 3% salary and wage increase, as well as increases in insurance, retirement, and workers' compensation premium costs; reduces funding for building occupancy charges.	Gross	N/A	\$4,869,200	\$4,869,200
	IDG	N/A	927,000	927,000
	Restricted	N/A	909,700	909,700
	GF/GP	N/A	\$3,032,500	\$3,032,500
13. Budgetary Savings Includes a budgetary savings line item and a reduction of \$1,830,600, or 0.6%, to general fund appropriations (Management and Budget and Civil Service Commission). The department and Commission will have the authority to determine how to achieve the savings. Also includes a reduction of \$244,200, the amount equal to the general fund portion of the 3% salary and wage increase, plus FICA and related retirement costs for classified union employees.	Gross	N/A	(\$2,074,800)	\$0
	GF/GP	N/A	(\$2,074,800)	\$0
14. Reduction of Funding for 3% S&W Increase Reduces funding by an amount estimated to cover costs of the 3% salary and wage increase, to include related FICA and retirement, for union and non-union employees.	Gross	N/A	\$0	(\$7,512,100)
	IDG	N/A	0	(3,470,400)
	Restricted	N/A	0	(1,077,000)
	GF/GP	N/A	\$0	(\$2,964,700)
TECHNOLOGY SERVICES				
15. Base Adjustments Reduces line items within the Technology Services budget to reflect actual appropriations in FY 2010 for information technology services and projects in other state department budgets:	Gross	\$423,323,100	(\$8,244,500)	(\$8,244,500)
	IDG	423,323,100	(8,244,500)	(8,244,500)
<ul style="list-style-type: none"> • Agriculture - \$178,600 • Civil Rights - \$85,700 • Civil Service Commission - \$400,000 • Corrections - \$402,300 • Education - \$14,300 • Environmental Quality - \$2,700 • Human Services - \$4,381,100 • Management and Budget - \$1,855,600 • Military and Veterans Affairs - \$100,000 • State - \$137,200 • Treasury - \$687,000 				

TECHNOLOGY, MANAGEMENT, AND BUDGET

Budget Changes From FY 2009-10 YTD Appropriations

16. Program Enhancements

Makes the following adjustments to reflect appropriations for program enhancements made in other state department budgets:

- Human Services - \$14.2 million for increased costs due to Children's Rights Settlement (development of Statewide Automated Child Welfare Information System and need for new child welfare and other staff)
- Corrections - \$102,600 for desktop maintenance
- Gaming - 1.0 FTE position and \$94,000 for increased workload
- Education - \$85,000 for implementation of Race to the Top education reform
- State Police - \$36,200 for Automated Fingerprint Identification System
- Management and Budget - \$4,000 for audits of public school employer units

	FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
FTEs	1,635.0	1.0	1.0
Gross	\$423,323,100	\$14,534,800	\$14,534,800
IDG	423,323,100	14,534,800	14,534,800

17. Budget Reductions

Reflects a savings to be achieved in the various department budgets through staff reductions, administrative efficiencies, administrative rate reductions, contract reductions, server and license reductions, reductions in CSS&M and maintenance costs, and delaying equipment purchases:

- Technology Services - \$549,900
- Civil Rights - \$58,900
- Civil Service Commission - \$17,400
- Corrections - \$359,100
- Education - \$50,000
- Environmental Quality - 1.0 FTE position and \$100,600
- Human Services - \$1.0 million
- Management and Budget - \$459,600
- Military and Veterans Affairs - \$30,000
- Natural Resources - \$103,900
- State - \$16,600
- State Police - \$248,700
- Transportation - \$1.4 million
- Treasury - \$616,300

FTEs	1,635.0	(1.0)	(1.0)
Gross	\$423,323,100	(\$5,017,500)	(\$5,017,500)
IDG	423,323,100	(5,017,500)	(5,017,500)

18. Eliminate Program Funding

Reflects elimination of funding in various department budgets for programs no longer needing funding or as a result of funding not being available:

- Community Health - \$400,000 for Newborn Screening program and \$971,300 for WIC program
- Natural Resources - \$27,100 in excess authorization
- State - \$4.6 million for Business Application Modernization project
- Treasury - \$415,100 for Michigan Merit Award Trust Fund

Gross	\$423,323,100	(\$6,363,500)	(\$6,363,500)
IDG	423,323,100	(6,363,500)	(6,363,500)

TECHNOLOGY, MANAGEMENT, AND BUDGET

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
19. Transfers	FTEs	N/A	(2.0)	(2.0)
Reflects the transfer of FTE positions and funding within various department budgets from IT programs to non-IT programs:	Gross	N/A	(\$1,310,100)	(\$1,310,100)
<ul style="list-style-type: none"> • Corrections - 1.0 FTE position and \$110,000; IT staff person moved to analyst position within department • Human Services - \$557,200; portion of Bridges funding moved to non-IT program • State Police - \$538,900; aligns funding for one-time IT expenditures between IT and non-IT line items within department • Treasury - 1.0 FTE position and \$104,000; IT staff person moved to non-IT program 	IDG	N/A	(1,310,100)	(1,310,100)
20. DTMB Consolidation	FTEs	N/A	(3.0)	(3.0)
Reflects a reduction of 3.0 FTE positions and a savings due to the consolidation of the Departments of Management and Budget and Information Technology pursuant to EO 2009-55.	Gross	N/A	(\$662,500)	(\$662,500)
	IDG	N/A	(662,500)	(662,500)
21. Technology Services Economics	Gross	N/A	\$9,412,900	\$9,412,900
Includes additional funding to cover costs of a 3% salary and wage increase, as well as increases in insurance and retirement; reduces funding for workers' compensation premium costs and building occupancy charges.	IDG	N/A	9,412,900	9,412,900
CIVIL SERVICE COMMISSION				
22. Budget Reductions	FTEs	469.5	(20.0)	(20.0)
Reflects a reduction of 20.0 FTE positions and a savings to be achieved through retirement, attrition, possible layoffs, and by applying administrative rate reductions to information technology costs.	Gross	\$49,555,700	(\$1,766,300)	(\$1,766,300)
	Federal	10,293,900	(800)	(800)
	Restricted	16,521,500	(1,000)	(1,000)
	GF/GP	\$19,943,900	(\$1,764,500)	(\$1,764,500)
23. Accounting Service Consolidation	FTEs	N/A	(8.0)	(8.0)
Reflects a reduction of FTE positions and a savings due to the transfer of accounting functions from the Civil Service Commission to Management and Budget.	Gross	N/A	(\$93,200)	(\$93,200)
	GF/GP	N/A	(\$93,200)	(\$93,200)
24. Fund Source Shifts	Gross	N/A	\$0	\$0
Adjusts IDG, federal, local, private, and state restricted fund sources in order to more accurately reflect where expenditures occur. The net effect on the total budget is \$0.	IDG	N/A	1,338,700	1,338,700
	Federal	N/A	(8,453,200)	(8,453,200)
	Local	N/A	(727,600)	(727,600)
	Private	N/A	8,100	8,100
	Restricted	N/A	7,834,000	7,834,000
25. Civil Service Commission Economics	Gross	N/A	\$3,153,600	\$3,153,600
Includes additional funding to cover costs of a 3% salary and wage increase, as well as increases in insurance and retirement; reduces funding for workers' compensation premium costs.	IDG	N/A	143,100	143,100
	Federal	N/A	418,600	418,600
	Local	N/A	80,400	80,400
	Private	N/A	10,800	10,800
	Restricted	N/A	1,230,900	1,230,900
	GF/GP	N/A	\$1,269,800	\$1,269,800

Boilerplate Changes From FY 2009-10

MANAGEMENT AND BUDGET

The **Executive** deleted all of the following sections:

- Sec. 710. Revisions to Computer Contracts (House Sec. 809.)
- Sec. 715 (3). Motor Vehicle Fleet Assignment ((House Sec. 813(3))
- Sec. 715 (4). Motor Vehicle Fleet Plan ((House Sec. 813(4))
- Sec. 716. Purchasing From Michigan-Based Firms (House Sec. 814.)
- Sec. 717. Purchasing (House Sec. 815.)
- Sec. 718. Collection of Vendor Disclosure Information (House Sec. 816.)
- Sec. 719. Vendor Disclosure Call Centers (House Sec. 817.)
- Sec. 724. Document and Data Imaging (House Sec. 821.)
- Sec. 725. Unclassified Salaries (House Sec. 822.)

The **House** and **Senate** retain each section.

Sec. 727. Contract Savings – DELETED

Requires the department to take measures to reduce existing contractual expenditures by \$20 million, lists required measures to be followed, and requires annual report on the amount of contract savings achieved. The **House** and **Senate** delete this language.

Sec. 873. Capital Outlay Projects for Community Colleges – NEW (Standard Capital Outlay Language)

Details certain administrative requirements for a community college with a partially state-funded capital outlay project and limits state funds for a project to 50% of the total cost. The **House** and **Senate** include this language.

Sec. 874. Matching Fund Requirements for Capital Outlay Projects – NEW (Standard Capital Outlay Language)

Authorizes reducing the amount of state funds required for a capital outlay project if the amount of matching funds from the university or community college are reduced. The **House** and **Senate** include this language.

Sec. 875. Documentation for Authorized Capital Outlay Projects – NEW (Standard Capital Outlay Language)

Authorizes the department to require documentation from universities and community colleges that have authorization for capital outlay projects. The **House** and **Senate** include this language.

TECHNOLOGY SERVICES

The **Executive** deleted all of the following sections:

- Sec. 574. Expenditures for Spatial Information and Technical Services (House Sec. 824.)
- Sec. 577 (4). Michigan Public Safety Communications System (House Sec. 827.)
- Sec. 578. Technology-related Appropriations and Expenditures (House Sec. 828.)
- Sec. 579. Life-Cycle of IT Hardware and Software (House Sec. 829.)
- Sec. 583. Contracts (House Sec. 830.)
- Sec. 584. Information and Referral Services Using 2-1-1 (House Sec. 831.)
- Sec. 585. Child Support Enforcement System (House Sec. 832.)

The **House** retains each section. The **Senate** retains each section except Sec. 584 (House Sec. 831), which they delete.

Sec. 580. Business Application Modernization Project – DELETED

Specifies the amount of funding appropriated for BAM project, lists what funding can be used for, designates funding as a work project account, and authorizes unexpended funding to be carried forward. The **House** and **Senate** delete this language.

Sec. 582. Michigan.gov – DELETED

Requires report on improvements made to Michigan.gov. The **House** and **Senate** delete this language.

CIVIL SERVICE COMMISSION

Sec. 754. Office of Great Workplace Development – DELETED

The **House** deletes language which prohibits funding from being used for the Office of Great Workplace Development. The **Senate** retains this language (Sec. 853).

TREASURY

Summary: As Passed by the Senate
HB 5880 (S-1)

Analyst: Ben Gielczyk

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Enacted	Difference: Senate From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$11,120,700	\$14,059,900	\$14,059,900	\$14,158,400		\$3,037,700	27.3
Federal	95,782,000	94,476,600	94,476,600	264,473,100		168,691,100	176.1
Local	1,526,400	2,066,500	2,066,500	2,037,200		510,800	33.5
Private	723,700	852,200	852,200	852,200		128,500	17.8
Restricted	1,353,620,700	1,437,274,600	1,445,419,300	1,410,636,300		57,015,600	4.2
GF/GP	151,964,700	202,130,100	199,372,000	201,297,700		49,333,000	32.5
Gross	\$1,614,738,200	\$1,750,859,900	\$1,756,246,500	\$1,893,454,900		\$278,716,700	17.3
FTEs	1,867.5	1,885.5	1,885.5	2,190.5		323.0	17.3

Note: FY 2009-10 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through January 31, 2010.

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 and 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.

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
TREASURY OPERATIONS				
1. GF/GP Budget Reductions	FTEs	N/A	(9.0)	(9.0)
Reduces funding \$1.8 million GF/GP and eliminates 9.0 FTE positions. Reductions are achieved through consolidated staff reductions, DIT rate and administrative reductions, and targeted program reductions by the department.	Gross	N/A	(\$1,787,700)	(\$1,787,700)
	GF/GP	N/A	(\$1,787,700)	(\$1,787,700)
2. Contractual Services for Other Departments	Gross	N/A	\$3,684,200	\$3,684,200
Increases funding to various line items for contractual services provided by the Department for other departments and state agencies. Spending authorization was previously provided for in boilerplate Sec. 928 of the FY 2010 General Government budget.	IDG	N/A	1,930,300	1,930,300
	Restricted	N/A	1,753,900	1,753,900
	GF/GP	N/A	\$0	\$0
3. Tax Compliance	FTEs	338.0	9.0	8.0
Includes \$1.0 million Gross and 9.0 FTEs in additional audit staff to meet obligations of MBT business filings. Program will generate \$4.0 million in FY 2011 and \$10.0 million in FY 2012. Will be implemented as part of FY 2010 supplemental.	Gross	\$34,988,700	\$1,000,000	\$1,000,000
	Restricted	33,103,900	1,000,000	1,000,000
	GF/GP	\$1,884,800	\$0	\$0

TREASURY

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
4. Tax Processing Increases funding by \$400,000 Gross and 4.0 FTEs to eliminate backlog of paid error returns to be processed. Program will generate \$10.0 million in revenue beginning in FY 2011. Also proposed as part of FY 2009-10 supplemental.	FTEs	151.0	4.0	4.0
	Gross	\$14,075,100	\$400,000	\$400,000
	IDG	2,298,200	0	0
	Restricted	11,776,900	400,000	400,000
5. Bottle Bill Supplemental Removes one-time reverse bottle bill redemption antifraud fund supplemental included in FY 2009-10 budget.	Gross	\$1,500,000	(\$1,500,000)	(\$1,500,000)
	Restricted	1,500,000	(1,500,000)	(1,500,000)
6. College Access Challenge Grant Program Removes funding for College Access Challenge Grant Program. Funding for program was available for two years and is established as a work project to be used through FY 2010-11.	Gross	\$2,202,400	(\$2,202,400)	\$0
	Federal	2,202,400	(2,202,400)	0
7. Tax and Economic Policy Includes \$150,000 and 1.0 FTE position for implementation of additional duties associated with Emergency 911 administration.	FTEs	81.0	1.0	1.0
	Gross	\$9,279,900	\$150,000	\$150,000
	Restricted	7,432,000	150,000	150,000
	GF/GP	\$1,847,900	\$0	\$0
8. Michigan Transportation Fund Adjustment Increases IDG from MDOT Michigan Transportation Fund by \$647,500 Gross. Mandated MTF adjustment. Funding increases are distributed as follows: Customer Contact (\$284,900); Tax and Economic Policy (\$155,400); and Tax Processing (\$207,200).	Gross	N/A	\$647,500	\$647,500
	IDG	N/A	647,500	647,500
9. Fund Shifts Reduces GF/GP funding levels due to shift in funding to restricted funds. Supervision of General Property Tax Law shifts \$635,000 in GF/GP funding to restricted funding by using available reserve balances in assessor training fees and land reutilization fees. Banking and Management Services shifts \$258,500 in GF/GP funding to restricted indirect funds based on common activities within department similar to SWCAP.	Gross	N/A	\$0	\$0
	Local	N/A	485,000	485,000
	Restricted	N/A	408,500	408,500
	GF/GP	N/A	(\$893,500)	(\$893,500)
10. Finance and Accounting Executive Revision 2011-1 increased IDG from accounting service center user charges by \$391,500 Gross as part of the accounting consolidation included in the FY 2011 Executive Recommendation. House did not include as Executive Revision occurred after House passed budget.	Gross	N/A	\$0	\$391,500
	IDG	N/A	0	391,500
	GF/GP	N/A	\$0	\$0
11. Department of Technology, Management, and Budget (DTMB) Consolidation Reduces funding due to savings from consolidation of the Department of Management and Budget and the Department of Information Technology	Gross	N/A	(\$32,700)	(\$32,700)
	Restricted	N/A	(27,700)	(27,700)
	GF/GP	N/A	(\$5,000)	(\$5,000)
12. Michigan Merit Award Administration Eliminates funding for Michigan Merit Award Administration. Program is eliminated due to elimination of Michigan Promise Grant program.	FTEs	6.0	(6.0)	(6.0)
	Gross	\$1,430,800	(\$1,430,800)	(\$1,430,800)
	Restricted	1,430,800	(1,430,800)	(1,430,800)
13. Business Property Tax Appeal Includes \$900,000 in GF/GP funding and 7.0 FTE positions for new Business Property Tax Appeal program. Program will provide assessment review for property tax appeals that affect School Aid Fund.	FTEs	N/A	7.0	0.0
	Gross	N/A	\$900,000	\$0
	GF/GP	N/A	\$900,000	\$0

TREASURY

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
14. Supervision of General Property Tax Law	Gross	N/A	\$0	\$2,000,000
Senate included \$2.0 million in restricted delinquent tax revenue for personal property tax audits.	Restricted	N/A	0	2,000,000
15. Michigan Finance Authority	FTEs	N/A	0.0	18.0
Includes \$3.0 million in Gross funding for the Michigan Finance Authority which was transferred to the Department of Treasury under Executive Order 2010-2	Gross	N/A	\$0	\$2,971,500
	Restricted	N/A	0	2,971,500
	GF/GP	N/A	\$0	\$0
16. Land Bank Fast Track Authority	FTEs	N/A	0.0	6.0
Includes \$2.1 million in Gross funding for the Land Bank Fast Track Authority which was transferred to the Department of Treasury under Executive Order 2010-2.	Gross	N/A	\$0	\$2,053,000
	Restricted	N/A	0	2,053,000
	GF/GP	N/A	\$0	\$0
17. Public Private Partnership Investment	FTEs	2.0	0.0	(2.0)
Senate removes funding for the Public Private Partnership Investment.	Gross	\$1,458,700	\$0	(\$1,458,700)
	Restricted	1,458,700	0	(1,458,700)
	GF/GP	\$0	\$0	\$0
18. Michigan State Housing Development Authority	FTEs	N/A	0.0	289.0
Includes \$244.5 million Gross funding for the Michigan State Housing Development Authority which was transferred to the Department of Treasury under Executive Order 2010-2.	Gross	N/A	\$0	\$224,486,500
	Federal	N/A	0	168,050,800
	Restricted	N/A	0	56,435,700
	GF/GP	N/A	\$0	\$0
19. Economic Adjustments	Gross	N/A	\$10,153,900	\$10,136,100
Increases funding by \$9.3 million Gross and \$1.1 GF/GP for economics, which includes salaries and wages, retirement, building occupancy charges, workers' compensation, and insurance costs; includes Lottery and Michigan Gaming Control Board. Also includes DIT economic adjustments of \$833,900 Gross and \$184,400 GF/GP.	IDG	N/A	361,400	361,400
	Federal	N/A	798,600	798,600
	Local	N/A	55,100	55,100
	Restricted	N/A	7,671,400	7,653,600
	GF/GP	N/A	\$1,267,400	\$1,267,400
20. Budgetary Savings	Gross	N/A	(\$2,033,400)	\$0
Includes a budgetary savings line item and a reduction of \$1,851,400, or 3.1%, to general fund appropriations. The department will have the authority to determine how to achieve the savings. Also includes a reduction of \$182,000, the amount equal to the general fund portion of the 3% salary and wage increase, plus FICA and related retirement costs for classified union employees.	GF/GP	N/A	(\$2,033,400)	\$0
21. Reduction of Funding for 3% S&W Increase	Gross	N/A	\$0	(\$4,207,100)
Reduces funding by an amount estimated to cover costs of the 3% salary and wage increase, to include related FICA and retirement, for union and non-union employees.	IDG	N/A	0	(292,800)
	Federal	N/A	0	(385,100)
	Local	N/A	0	(29,300)
	Restricted	N/A	0	(2,974,200)
	GF/GP	N/A	0	(\$525,700)

TREASURY

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>House Change From YTD</u>	<u>Senate Change From YTD</u>
DEBT SERVICE				
22. Debt Service Payments	Gross	\$80,177,500	\$54,731,700	\$54,731,700
Increases funding by \$54.7 million based on principal and interest requirements of general obligation bond issues and new issues. Reduces Water Pollution Control Board (\$62,400) and Great Lakes Water Quality (\$10.9 million). Increases funding for Quality of Life Bond (\$32.5 million) and Clean Michigan Initiative (\$33.2 million). Between FY 2007-08 and FY 2009-10 debt service payments were refinanced and pushed into the future for a planned savings of \$100 million. Increase in FY 2010-11 is due to new issues and scheduled required increases.	Restricted	15,514,500	0	0
	GF/GP	\$64,663,000	\$54,731,700	\$54,731,700
GRANTS				
23. Convention Facility Development Distribution	Gross	\$83,850,000	(\$9,000,000)	(\$9,000,000)
Eliminates \$9.0 million in one-time convention facility development funding associated with Public Act 62 of 2009.	Restricted	83,850,000	(9,000,000)	(9,000,000)
CASINO GAMING				
24. Office of Racing Commissioner	FTEs	N/A	9.0	10.0
Includes \$1.9 million Gross and 10.0 FTE (1.0 FTE unclassified) positions for the Office of Racing Commission that was transferred from the Department of Agriculture as part of Executive Orders 2009-45, 2009-54.	Gross	N/A	\$1,905,000	\$2,263,100
	Restricted	N/A	1,905,000	2,263,100
25. Casino Gaming Control Administration and Information Technology	FTEs	115.0	1.0	0.0
Includes \$1.6 million in restricted funds for casino gaming laboratory services and background investigations. Funding was previously appropriated in boilerplate Section 972 of FY 2010-11 General Government budget. Also includes \$86,500 in restricted funding and 1.0 FTE position under the Casino Gaming Control Administration for Indian Gaming Auditor to audit new casinos along with \$94,000 in restricted funding for Casino Gaming DIT staff person to audit new Indian Casinos.	Gross	\$21,011,900	\$1,783,500	\$1,783,500
	Restricted	21,011,900	1,783,500	1,783,500
STATE LOTTERY				
26. Promotion and Advertising	Gross	\$18,622,000	(\$18,622,000)	(\$1,862,200)
Eliminates \$18.6 million in funding for promotion and advertising. Moves spending authorization to boilerplate section to allow up to one percent of sales revenue to go to promotion and advertising.	Restricted	18,622,000	(18,622,000)	(1,862,200)
27. Lottery Operations	FTEs	181.0	1.0	2.0
Includes \$78,000 Gross and 1.0 FTE position for assistance in the introduction of Powerball.	Gross	\$20,847,800	\$78,000	\$78,000
	Restricted	20,847,800	78,000	78,000
REVENUE SHARING				
28. Constitutional Revenue Sharing	Gross	\$622,137,900	(\$19,094,300)	(\$19,094,300)
Reduces revenue sharing payments by \$19.1 million. Fiscal Year 2009-10 YTD amounts were based on the January 2009 Consensus Revenue Estimating Conference (CREC) figures. Executive recommended amounts are based on January 2010 CREC.	Restricted	622,137,900	(19,094,300)	(19,094,300)
29. Statutory Revenue Sharing	Gross	\$314,169,900	\$9,324,500	(\$35,376,900)
Increases statutory revenue sharing payments by \$9.3 million from FY 2009-10 YTD amounts.	Restricted	314,169,900	9,324,500	(35,376,900)

TREASURY

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	House Change From YTD	Senate Change From YTD
30. County Revenue Sharing		Gross	\$55,291,700	\$59,449,000
Increases county revenue sharing payments by \$59.4 million to fund the additional counties anticipated to be eligible again for state payments. Counties become eligible when they exhaust their revenue sharing reserve funds.		Restricted	55,291,700	\$53,712,000
MICHIGAN STRATEGIC FUND				
31. 21st Century Jobs Program Funding		Gross	\$28,500,000	\$46,500,000
Increases funding by \$46.5 million in restricted funding to restore FY 2009-10 transfer to general fund. Statute provides for \$75 million.		Restricted	28,500,000	(\$2,000,000) (2,000,000)
32. Economic Development Job Training (EDJT) Program		Gross	\$4,705,800	(\$4,705,800)
Eliminates funding for the Economic Development Job Training Program. The EDJT program provides employee training grants to maintain or attract permanent jobs for Michigan residents. The grants are for high-skill/high-wage jobs in 21st century industries, such as advanced manufacturing, life sciences, technology, homeland security, and alternative energy.		GF/GP	\$4,705,800 (\$4,705,800)	(\$4,705,800) (\$4,705,800)
33. Michigan Promotion Program		Gross	\$5,402,800	\$13,000,000
Includes \$13.0 million in restricted funds from proposed assessment on select vehicle rentals for promotion of tourism and business. Assessments would be deposited in Michigan Promotion Fund.		Restricted	0	0
		GF/GP	\$5,402,800	\$0
34. Arts and Cultural Grants		Gross	N/A	\$100,000
Includes \$100,000 in restricted funds for Arts and Cultural Grants. New funding would come from a voluntary income tax check off beginning in tax year 2009 that would be deposited in the arts fund.		Federal	N/A	0
		Private	N/A	100,000
35. Business Incubator Program		Gross	\$950,000	\$350,000
Includes additional funding for the business incubator program.		Restricted	950,000	350,000
		GF/GP		(\$50,000) (950,000) \$900,000
36. MSF Economic Adjustments		Gross	N/A	\$812,800
Includes \$812,800 Gross and \$658,300 GF/GP funding for economics, which include increased funding for salaries and wages, retirement, workers' compensation, and insurance costs.		Federal	N/A	98,400
		Private	N/A	28,500
		Restricted	N/A	27,600
		GF/GP	N/A	\$658,300
37. Budgetary Savings		Gross	N/A	(\$3,052,700)
Includes a budgetary savings line item and a reduction of \$716,600, or 3.1%, to general fund appropriations, and includes a 3.1% reduction to the 21st Century Jobs Trust Fund appropriation. The agency will have the authority to determine how to achieve the savings. Also includes a reduction of \$8,100, the amount equal to the general fund portion of the 3% salary and wage increase, plus FICA and related retirement costs for classified union employees.		Restricted	N/A	(2,328,000)
		GF/GP	N/A	(\$724,700)
38. Reduction of Funding for 3% S&W Increase		Gross	N/A	\$0
Reduces funding by an amount estimated to cover costs of the 3% salary and wage increase, to include related FICA and retirement, for union and non-union employees.		IDG	N/A	0
		Restricted	N/A	0
		GF/GP	N/A	\$0

Boilerplate Changes From FY 2009-10

DEPARTMENT OF TREASURY

The **Executive** deleted all of the following sections:

- Sec. 905. Sale of Tax Manuals
- Sec. 906. State Audits
- Sec. 918. Tax Orientation Workshops
- Sec. 938. PILT Payments
- Sec. 939. Public Employee Pension Fund Investment
- Sec. 942. Field Collection Report
- Sec. 945. Fourteen-Point Review
- Sec. 947. Revenue Enhancement Program
- Sec. 948. Electronic Income Tax Filing
- Sec. 963. Department of Human Services Bridge Cards
- Sec. 975. State Services Fee Fund Balance
- Sec. 1003. Michigan Growth Capital Fund
- Sec. 1007. Grants and Investment Program
- Sec. 1008. Interlocal Agreements
- Sec. 1023. Tourism Promotion
- Sec. 1033. Michigan Film Office Advisory Council
- Sec. 1034. Business Incubator Program

The **House** retains each section. The **Senate** retains all sections except sections 938, 947, and 1003.

Please note: Sec. 975. The **House** appropriates \$1.6 million of the State Services Fee Fund balance to the general fund. The **Senate** appropriates \$5.0 million.

Sec. 903. Private Collection Agency/Law Firm Contracting - REVISED

Authorizes department to contract with private collection agencies and law firms to collect taxes and other accounts due, including defaulted student loans; requires report. Revision prohibits amounts appropriated for defaulted student loan collections from exceeding 23% of the collection or a lesser amount prescribed in the contract. The **House** and **Senate** include the revised language.

Sec. 924. Principal Residence Tax Audits - REVISED

Authorizes department to receive and expend principal residence audit fund revenue for administration of principal residence audits; requires report. Revision requires report to state amount of exemptions denied and revenue received under the program. The **House** and **Senate** include the revised language.

Sec. 925. Public-Private Partnership Fund – DELETED

Authorizes a Public-Private Partnership Investment Fund for use in public-private partnerships; directs the state treasurer and state budget director to determine. Revision authorizes unencumbered balance at the end of the year to be carried forward for appropriation in future years. The **House** includes the revised language. The **Senate** deletes this language.

Sec. 929. Data and Collection Services – DELETED

Authorizes department to enter into agreements to supply data or collection services to other executive principal departments or state agencies, the US Department of Treasury, or local units of government. (Deleted due to the inclusion of funding in part 1.) The **House** and **Senate** delete this language.

Sec. 943. Form 1099-G Mailings - DELETED

Prohibits department from including complete social security numbers in form 1099-G mailings to taxpayers. The **House** and **Senate** delete this language.

Sec. 946. Coordinated Assessment and Training Activities - DELETED

Authorizes members of state tax commission and management level staff of the assessment and certification division to meet with statewide assessment organizations quarterly to coordinate assessment and training activities. The **House** and **Senate** delete this language.

Sec. 949. Tobacco Stamp Program – DELETED

Directs department to explore the possibility of a public-private partnership for new tobacco stamp technology; requires report. The **House** and **Senate** delete this language.

TREASURY

Boilerplate Changes From FY 2009-10

Sec. 950. Revenue Sharing – REVISED

The **House** includes language which directs distribution of constitutional and statutory revenue sharing payments to cities, villages and townships and authorizes cities, villages, and townships to receive less than 101.0% of their FY 2009-10 total revenue sharing payments if constitutional revenue sharing funding is reduced. The **Senate** includes language which directs distribution of constitutional and statutory revenue sharing payments to cities, villages and townships and authorizes cities, villages, and townships to receive less than 95.0% of their FY 2009-10 total revenue sharing payments if constitutional revenue sharing funding is reduced.

Sec. 955. County Revenue Sharing – REVISED

The **House** includes language which directs the county revenue sharing appropriation to be distributed by the department to eligible counties according to the Glenn Steil State Revenue Sharing Act of 1971. The **Senate** includes language which specifies that an amount equal to 95% of the amount distributed according to the Glenn Steil State Revenue Sharing Act is appropriated, adjusted by the inflation rate and reduced by the amount each county is authorized to expend from its revenue sharing reserve fund.

Sec. 920. Tax Amnesty Program - NEW

The **Senate** includes language which states that if tax amnesty legislation is passed, the Department of Treasury shall implement a competitive bidding process.

Sec. 926. Payment Card Industry Security - NEW

The **Senate** includes language which requires the Department of Treasury and the Department of Technology, Management, and Budget to submit a report on the status of state compliance with payment card industry data security standards.

Sec. 927. Personal Property Tax Audits - NEW

The **Senate** includes language which requires the Department of Treasury to submit annual progress reports regarding personal property tax audits.

Sec. 949. Beverage Container Redemption Antifraud Fund - NEW

The **Senate** includes language which requires that any funding for the beverage container redemption antifraud fund be used for the purposes described in the beverage container redemption antifraud act. Specifies that any available funding after the distribution to the border counties be distributed to the next tier of counties north of the border counties.

Sec. 949a. College Access Challenge Grant Program - NEW

The **Senate** includes language which authorizes unexpended appropriations of the college access challenge grant program to be designated as work project appropriations and shall not lapse. Language also states projected total cost, completion date, and purpose of the College Access Challenge Grant program.

LOTTERY

Sec. 962. Promotion and Advertising - NEW

The **House** includes language which authorizes appropriation of one percent of the prior fiscal year's lottery ticket sales for promotion and advertising. (Formerly funded through line-item appropriation.) The **Senate** does not include this language.

CASINO GAMING

Sec. 972. Gaming Oversight - DELETED

Appropriates funds distributed by the Michigan Gaming Control Board to the department for oversight of casino gaming upon receipt; directs the funds to be used to pay for costs incurred for casino gaming oversight activities. (Deleted due to inclusion of funding in part 1.) The **House** and **Senate** delete this language.

Sec. 976. Horse Racing Industry Crimes - NEW

Authorizes the racing commissioner to pay rewards of not more than \$5,800 to a person who provides information which results in the arrest and conviction for a crime involving the horse racing industry. Awards are paid from the Office of Racing Commissioner line-item. The **House** and **Senate** include this language.

Sec. 977. Michigan Agriculture Equine Industry Development Fund - NEW

The **Senate** includes language which requires proration of all appropriations from the Michigan Agriculture Equine Industry Development Fund if revenues to the fund decline during the fiscal year. The language exempts the racing commission and laboratory analysis program appropriations from the proration.

Sec. 978. Racing Commission Regulatory Charges - NEW

The **Senate** includes language which follows Public Act 66 of 2010. The section requires the Michigan Gaming Control Board to determine actual regulatory costs of conducting race dates; it would limit reimbursement to actual expenses; and the language specifies that in the case of reduced revenues, race dates can be reduced, after consultation with certified horsemen's organizations.

Boilerplate Changes From FY 2009-10

Sec. 979. Thoroughbred Race Purses - NEW

The **Senate** includes language which provides use of purse funds in the event that no live thoroughbred race meet is held in 2010 or 2011. The section provides for funds to be escrowed and specifies purse pool distribution order.

HOUSING AND COMMUNITY DEVELOPMENT

Sec. 980. Michigan State Housing Development Authority Annual Report - NEW

The **Senate** includes language which requires MSHDA to annually present a report on the status of the authority's housing production goals under all financing programs.

Sec. 981. Michigan Broadband Development Authority Report - NEW

The **Senate** includes language which requires the department and MSHDA to reports on the status of loans entered into by the Michigan Broadband Development Authority.

Sec. 982. Cities of Promise Blight Elimination Program Report - NEW

The **Senate** includes language which requires MSHDA to provide a report on the Cities of Promise Blight Elimination Program.

Sec. 983. Land Bank Fast Track Authority - NEW

The **Senate** includes language which authorizes the authority to expend additional revenues received under the Land Bank Fast Track Act for purposes authorized by the act.

Sec. 984. State Historic Preservation Programs - NEW

The **Senate** includes language which appropriates the funds collected by State Historic Preservation programs for document reproduction and services and application fees for all expenses necessary to provide the required services.

Sec. 985. Michigan Housing and Community Development Fund Transfer of Funds - NEW

The **Senate** includes language which requires \$200,000 to be appropriated from the Michigan Housing and Community Development Fund to MSHDA for projects in sections 58c and 58d of the State Housing Development Authority Act. Requires report on status of those projects.

MICHIGAN STRATEGIC FUND (MSF)

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

Provides description and direction for Economic Development Job Training Grant program. Program is eliminated. The **House** and **Senate** delete this language.

Sec. 1010. Advertising Material - DELETED

Prohibits MSF funding from being spent on premiums or advertising material involving personal effects or apparel except Travel Michigan. The **House** and **Senate** delete this language.

Sec. 1023. Tourism Promotion - REVISED

The **House** includes language which lists specific places and types of travel to be included in tourism promotion. The **Senate** includes language which requires MSF to coordinate tourism promotion with the tourism industry.

Sec. 1024. Small Business Technology and Development Centers (SBTDC) - REVISED

The **House** includes language which authorizes the MSF Board to allocate funds from the 21st Century Jobs Trust Fund to Small Business Technology and Development Centers for Small Business Innovation Research/Small Business Technology Transfer Research grant or matching loan programs. The **Senate** includes language which authorizes the MSF Board to allocate \$1.4 million for the same purpose.

Sec. 1027. Lakeshore Advantage – DELETED

Authorizes \$3.0 million of the funds appropriated for the Jobs for Michigan Investment Program: 21st Century Jobs Fund to be allocated to Lakeshore Advantage. The **House** deleted this language. The **Senate** retained this language.

Sec. 1034. Business Incubators - REVISED

The **House** included language which stipulates that funding for business incubators be distributed to ten counties or cities. House revised current year language to set aside \$250,000 for City of Macomb County instead of the city of Detroit. House also changed Ingham County to the city of Lansing. The **Senate** includes language which allocates \$250,000 each to an incubator in Oakland and Macomb Counties, \$200,000 to an incubator in Washtenaw County and \$200,000 to an incubator in the City of Detroit. Requires report.

TREASURY

Boilerplate Changes From FY 2009-10

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

The **House** includes language which requires MCACA to develop and administer targeted arts and cultural grant programs; requires MCACA to develop and publish application criteria; authorizes MCACA to charge a non-refundable application fee to be used for expenses necessary to administer the programs; authorizes carry forward of unexpended grant money. The **Senate** includes language which requires MCACA to administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline; requires MCACA to publish application criteria; authorizes MCACA to charge a non-refundable application fee to be used for expenses necessary to administer the programs; requires a report to the legislature which lists all grant recipients and the total award to each, sorted by county.

Sec. 1036. Arts and Cultural Institutions Project Program - NEW

The **House** includes language which authorizes MCACA to offer an Arts and Cultural Institutions Project Program to remodel, repair, renovate, or construct certain arts and cultural institutions; requires MCACA to develop application process; authorizes MCACA to charge an application fee to be used to offset costs associated with reviewing the proposals; prohibits recommended projects from exceeding \$50.0 million in total. The **Senate** does not include this language.

Sec. 1025. 21st Century Jobs Fund Allocation - NEW

The **Senate** includes language which requires \$250,000 from the 21st Century Jobs Fund to be allocated to the Michigan Aerospace Manufacturers Association for organizational assistance and to advance and promote aerospace manufacturing community.