

ALL GENERAL GOVERNMENT
Summary: Conference Report
HB 5880 (S-1) CR-1



Analysts: Robin R. Risko and Ben Gielczyk

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$645,839,400	\$644,031,100	\$646,991,900	\$643,119,000	\$644,781,100	(\$1,058,300)	(0.2)
Federal	133,337,400	277,017,200	109,610,400	279,459,700	277,499,300	144,161,900	108.1
Local	3,089,200	3,434,400	3,446,900	3,417,600	3,434,400	345,200	11.2
Private	1,265,700	1,414,500	1,423,100	1,423,100	1,414,500	148,800	11.8
Restricted	1,664,754,900	1,769,366,100	1,724,871,800	1,685,816,200	1,804,038,200	139,283,300	8.4
GF/GP	647,300,400	674,938,400	667,819,900	672,558,200	590,492,600	(56,807,800)	(8.8)
Gross	\$3,095,587,000	\$3,370,201,700	\$3,154,164,000	\$3,285,793,800	\$3,321,660,100	\$226,073,100	7.3
FTEs	7,513.7	7,691.2	7,394.2	7,699.2	7,709.2	195.5	2.6

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. Budget issues are listed by department on the following pages.

Boilerplate Changes From FY 2009-10

GENERAL SECTIONS OF BOILERPLATE

Sec. 227. No-Bid Contracts – DELETED

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. 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.

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; requires executive branch departments and agencies to develop, post, and maintain Internet sites showing all expenditures.

Sec. 231. Transparency Website Expenditure - NEW

Prohibits departments from expending more than \$10,000 to implement transparency websites.

ATTORNEY GENERAL

Summary: Conference Report

HB 5880 (S-1) CR-1

Analyst: Robin R. Risko

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$21,289,800	\$21,300,300	\$21,762,300	\$21,261,300	\$21,300,300	\$10,500	0.0
Federal	8,277,800	8,565,700	8,656,000	8,508,800	8,565,700	287,900	3.5
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	15,521,000	14,987,700	15,290,800	14,967,900	14,987,700	(533,300)	(3.4)
GF/GP	28,785,000	28,632,300	28,196,000	28,580,100	28,559,400	(225,600)	(0.8)
Gross	\$73,873,600	\$73,486,000	\$73,905,100	\$73,318,100	\$73,413,100	(\$460,500)	(0.6)
FTEs	543.0	520.0	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)	Conference Change From YTD
1. SOCC Reduction	Gross	\$124,900	(\$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)
2. GF/GP Budget Reductions	FTEs	500.0	(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)
	GF/GP	\$26,237,000	(\$1,142,300)
3. Eliminate Homeowner Construction Lien Fund	FTEs	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)
	Restricted	566,100	(566,100)
4. Eliminate Auto Theft Prevention Grant	FTEs	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)
	IDG	420,000	(420,000)
5. Eliminate Funding for Defense of Game and Fish Protection Fund	Gross	\$150,000	(\$150,000)
Reflects a savings due to elimination of funding for defense of the Game and Fish Protection Fund.	Restricted	150,000	(150,000)

ATTORNEY GENERAL

Budget Changes From FY 2009-10 YTD Appropriations

		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
6. DTMB Consolidation	Gross	N/A	(\$2,300)
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	(\$2,300)
7. Economics	Gross	N/A	\$1,902,200
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 for union employees; reduces funding for building occupancy charges.	IDG	N/A	430,500
	Federal	N/A	287,900
	Restricted	N/A	182,800
	GF/GP	N/A	\$1,001,000
8. Target Agreement	Gross	N/A	(\$72,900)
Reduces funding for the Attorney General Operations line item.	GF/GP	N/A	(\$72,900)

Boilerplate Changes From FY 2009-10

Sec. 314. Medicaid False Claim Act Revenue – NEW

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**CIVIL RIGHTS****Summary: Conference Report****HB 5880 (S-1) CR-1****Analyst: Robin R. Risko**

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	2,057,300	1,750,000	1,750,000	1,750,000	1,750,000	(307,300)	(14.9)
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	0	53,000	53,000	53,000	53,000	53,000	100.0
GF/GP	11,706,400	11,148,600	10,756,500	10,988,100	10,975,700	(730,700)	(6.2)
Gross	\$13,763,700	\$12,951,600	\$12,559,500	\$12,791,100	\$12,778,700	(\$985,000)	(7.2)
FTEs	130.0	118.0	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)	Conference Change From YTD
1. GF/GP Budget Reductions	FTEs	125.0	(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)
	GF/GP	\$11,439,300	(\$936,500)
2. Federal Funding Contract Decrease	Gross	\$2,057,300	(\$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)
3. Accounting Service Consolidation	FTEs	125.0	(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)
	GF/GP	\$10,686,300	(\$88,600)
4. Fund Source Shift	Gross	N/A	\$0
Reflects an increase in state restricted funding and a decrease in GF/GP funding by a like amount.	Restricted	N/A	53,000
	GF/GP	N/A	(\$53,000)
5. DTMB Consolidation	Gross	N/A	(\$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)

CIVIL RIGHTS**Budget Changes From FY 2009-10 YTD Appropriations****6. *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 for union employees; reduces funding for building occupancy charges.

Gross
GF/GP

FY 2009-10 YTD
(as of 2/11/10)

N/A
N/A

Conference
Change
From YTD

\$521,000
\$521,000

7. *Target Agreement*

Reduces funding for the Civil Rights Operations line item.

Gross
GF/GP

N/A
N/A

(\$172,900)
(\$172,900)

Boilerplate Changes From FY 2009-10

None

EXECUTIVE OFFICE**EXECUTIVE OFFICE****Summary: Conference Report****HB 5880 (S-1) CR-1****Analyst: Robin R. Risko**

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 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	4,823,700	4,630,800	4,498,300	4,630,800	4,630,800	(192,900)	(4.0)
Gross	\$4,823,700	\$4,630,800	\$4,498,300	\$4,630,800	\$4,630,800	(\$192,900)	(4.0)
FTEs	84.2	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.

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
1. SOCC Reduction	Gross	\$3,973,900	(\$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)
2. GF/GP Budget Reductions	Gross	\$3,673,000	(\$174,300)
Reflects a savings to be achieved through administrative reductions.	GF/GP	\$3,673,000	(\$174,300)

Boilerplate Changes From FY 2009-10

There is no boilerplate for the Executive Office.

LEGISLATURE

Summary: Conference Report

HB 5880 (S-1) CR-1

Analyst: Robin R. Risko

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$250,000	\$250,000	100.0
Federal	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	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	0	0.0
GF/GP	104,764,900	100,574,300	98,323,300	100,574,300	100,574,300	(4,190,600)	(4.0)
Gross	\$106,274,700	\$102,084,100	\$99,833,100	\$102,084,100	\$102,334,100	(\$3,940,600)	(3.7)
FTEs	0.0	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.

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
1. SOCC Reduction		Gross \$69,007,800	(\$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)
2. GF/GP Budget Reductions		Gross \$106,274,700	(\$2,941,100)
Reflects a savings to be achieved through administrative reductions.		GF/GP \$104,764,900	(\$2,941,100)
3. Legislative Corrections Ombudsman		Gross \$369,700	\$250,000
Includes IDG funding from the Department of Corrections for the Legislative Corrections Ombudsman.		IDG 0	250,000
		GF/GP \$369,700	\$0

Boilerplate Changes From FY 2009-10

Sec. 603. National Association Dues – MODIFIED

Authorizes \$51,000 to be paid annually to the National Conference of Commissioners on Uniform State Laws if the funding is available.

LEGISLATURE

Boilerplate Changes From FY 2009-10

***Sec. 610. Health Insurance Benefits* – DELETED**

Prohibits funding from being used to pay for health insurance benefits for unmarried domestic partners of legislators or legislative employees.

LEGISLATIVE AUDITOR GENERAL

Summary: Conference Report

HB 5880 (S-1) CR-1

Analyst: Robin R. Risko

IDG/IDT	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$1,801,500	\$1,801,500	\$1,801,500	\$1,801,500	\$2,301,500	\$500,000	27.8
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	1,539,900	1,539,900	0	0.0
GF/GP	11,619,800	11,155,000	10,808,800	11,155,000	11,155,000	(464,800)	(4.0)
Gross	\$14,961,200	\$14,496,400	\$14,150,200	\$14,496,400	\$14,996,400	\$35,200	0.2
FTEs	0.0	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.

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
1. GF/GP Budget Reductions	Gross	\$14,647,700	(\$464,800)
Reflects a savings to be achieved through administrative reductions.	GF/GP	\$11,306,300	(\$464,800)
2. Funding for MDOC Activities	Gross	\$0	\$500,000
Includes IDG funding from the Department of Corrections for audit activities related to the Department of Corrections.	IDG	0	500,000

Boilerplate Changes From FY 2009-10

None

STATE**STATE****Summary: Conference Report
HB 5880 (S-1) CR-1****Analyst: Ben Gielczyk**

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$20,000,000	\$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	1,810,000	0	0.0
Local	0	0	0	0	0	0	0.0
Private	100	100	100	100	100	0	0.0
Restricted	169,364,700	175,299,500	176,578,000	173,705,300	177,799,500	8,434,800	5.0
GF/GP	17,955,400	14,062,200	13,593,800	13,950,900	13,910,800	(4,044,600)	(22.5)
Gross	\$209,130,200	\$211,171,800	\$211,981,900	\$209,466,300	\$213,520,400	\$4,390,200	2.1
FTEs	1,815.0	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.

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>Conference Change From YTD</u>
1. GF/GP Reductions 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.	Gross	N/A	(\$1,182,300)
	GF/GP	N/A	(\$1,182,300)
2. Department of Technology, Management and Budget Savings Includes consolidated savings from the merger of Department of Management and Budget (DMB) and Department of Information Technology (DIT) under Executive Order 2009-55.	Gross	N/A	(\$22,500)
	Restricted	N/A	(20,700)
	GF/GP	N/A	(\$1,800)
3. Business Application Modernization (BAM) 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.	Gross	(\$4,550,000)	(\$4,550,000)
	Restricted	(1,800,000)	(1,800,000)
	GF/GP	(\$2,750,000)	(\$2,750,000)
4. Credit and Debit Card Service Assessment 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.	Gross	N/A	\$1,000,000
	Restricted	N/A	1,000,000
	GF/GP	N/A	\$0

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
5. Organ Donor Program	Gross	\$104,100	(\$25,000)
Reduced funding for organ donor program with targeted reductions for department.	Private	100	0
	GF/GP	\$104,000	(\$25,000)
6. State Officers Compensation Commission (SOCC) Adjustment	Gross	\$124,900	(\$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)
7. Economic Adjustments	Gross	N/A	\$6,830,500
Includes additional funding for salary and wage, insurance, retirement, and rent (\$6.8 million Gross; \$388,900 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	6,755,500
	GF/GP	N/A	\$75,000
8. Target Agreement General Fund Reductions	Gross	N/A	(\$151,400)
Reduces funding for Department Services (\$20,400), Regulatory Services (\$20,000), Branch Operations (\$72,900), and Central Operations (\$38,100) to meet General Fund target agreement.	GF/GP	N/A	(\$151,400)
9. Recreation Passport Fee Revenue	Gross	N/A	\$1,000,000
Increases funding for Branch Operations (\$300,000) and Central Operations (\$700,000) with Recreation Passport Fee Revenue.	Restricted	N/A	1,000,000
	GF/GP	N/A	\$0
10. Driver Improvement Course Revenue	Gross	N/A	\$1,500,000
Increases funding for Central Operations (\$1,200,000) and Department Services Operations (\$300,000) with Driver Improvement Course Revenue.	Restricted	N/A	1,500,000
	GF/GP	N/A	\$0

Boilerplate Changes From FY 2009-10

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.

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.

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.

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.

Sec. 716b. BAM Report - NEW

Includes language which requires the Department to report on funding expended for the project since its inception.

Sec. 716c. Network Connectivity - NEW

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
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Analyst: Robin R. Risko

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						Amount	%
IDG/IDT	\$584,509,400	\$586,552,900	\$589,368,200	\$585,897,800	\$586,552,900	\$2,043,500	0.3
Federal	11,219,800	2,682,000	2,917,800	2,917,800	2,682,000	(8,537,800)	(76.1)
Local	2,027,600	1,380,400	1,380,400	1,380,400	1,380,400	(647,200)	(31.9)
Private	151,900	170,800	170,800	170,800	170,800	18,900	12.4
Restricted	72,200,500	83,853,900	84,881,000	83,804,000	83,827,300	11,626,800	16.1
GF/GP	293,574,300	303,325,400	302,271,200	301,381,300	299,748,800	6,174,500	2.1
Gross	\$963,683,500	\$977,965,400	\$980,989,400	\$975,552,100	\$974,362,200	\$10,678,700	1.1
FTEs	3,038.0	2,972.5	2,971.5	2,971.5	2,972.5	(65.5)	(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)	Conference Change From YTD
MANAGEMENT AND BUDGET			
1. SBA Rent Increase	Gross	\$235,370,600	\$6,500,000
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	\$6,500,000
2. Gubernatorial Transition	Gross	N/A	\$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
3. Accounting Service Consolidation	FTEs	N/A	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
	IDG	N/A	859,600

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>Conference Change From YTD</u>
4. New Building Operations and Private Rent Adjustment	Gross	N/A	\$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
5. Audits of Public School Employer Units	FTEs	N/A	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
	Restricted	N/A	180,500
6. SWCAP-related Fund Source Shifts	Gross	N/A	\$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)
	Federal	N/A	(266,700)
	Restricted	N/A	2,706,000
	GF/GP	N/A	(\$2,391,000)
7. Building Operations Reductions	FTEs	253.0	(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)
	IDG	87,784,000	(1,257,900)
8. Eliminate Professional Development Funds	Gross	\$200,000	(\$200,000)
Reflects a savings due to elimination of professional development funds for NEREs and MSCs.	IDG	200,000	(200,000)
9. DTMB Consolidation	FTEs	N/A	(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)
	IDG	N/A	(114,600)
	Restricted	N/A	(22,800)
	GF/GP	N/A	(\$166,700)
10. Federal Funding Authorization	Gross	N/A	\$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
11. Budget Reductions	FTEs	N/A	(41.0)
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.	Gross	N/A	(\$772,000)
	Restricted	N/A	(156,800)
	GF/GP	N/A	(\$615,200)
12. Management and Budget Economics	Gross	N/A	\$3,401,200
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 for union employees; reduces funding for building occupancy charges.	IDG	N/A	786,300
	Restricted	N/A	629,400
	GF/GP	N/A	\$1,985,500
13. Transfer of Program	Gross	N/A	\$224,000
Reflects the transfer of the Population Statistics and Census Reporting program (Demographics and Census Data program) from the Department of Education to the DTMB.	GF/GP	N/A	\$224,000

TECHNOLOGY, MANAGEMENT, AND BUDGET

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD	
14. Target Agreement		Gross	N/A	(\$103,200)
Reduces funding for the ID mail program by \$50,000 Gross and GF/GP and reduces funding for the Financial Services program by \$53,200 Gross and \$26,600 GF/GP.		Restricted	N/A	(26,600)
		GF/GP	N/A	(\$76,600)
TECHNOLOGY SERVICES				
15. Base Adjustments		Gross	\$423,323,100	(\$8,244,500)
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:		IDG	423,323,100	(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				
16. Program Enhancements		FTEs	1,635.0	1.0
Makes the following adjustments to reflect appropriations for program enhancements made in other state department budgets:		Gross	\$423,323,100	\$14,534,800
<ul style="list-style-type: none">• 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		IDG	423,323,100	14,534,800

TECHNOLOGY, MANAGEMENT, AND BUDGET

Budget Changes From FY 2009-10 YTD Appropriations

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

	FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
FTEs	1,635.0	(1.0)
Gross	\$423,323,100	(\$5,017,500)
IDG	423,323,100	(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)
IDG	423,323,100	(6,363,500)

19. Transfers

Reflects the transfer of FTE positions and funding within various department budgets from IT programs to non-IT programs:

- 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

FTEs	N/A	(2.0)
Gross	N/A	(\$1,310,100)
IDG	N/A	(1,310,100)

20. DTMB Consolidation

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.

FTEs	N/A	(3.0)
Gross	N/A	(\$662,500)
IDG	N/A	(662,500)

21. Technology Services Economics

Includes additional funding to cover costs of a 3% salary and wage increase, as well as increases in insurance and retirement for union employees; reduces funding for workers' compensation premium costs and building occupancy charges.

Gross	N/A	\$5,831,400
IDG	N/A	5,831,400

22. Additional IT Staff for DHS

Reflects the addition of information technology-related staff in the Department of Human Services, which were added as a result of the Children's Rights Settlement agreement.

Gross	N/A	\$985,900
IDG	N/A	985,900

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>Conference Change From YTD</u>
CIVIL SERVICE COMMISSION			
23. Budget Reductions	FTEs	469.5	(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)
	Federal	10,293,900	(800)
	Restricted	16,521,500	(1,000)
	GF/GP	\$19,943,900	(\$1,764,500)
24. Accounting Service Consolidation	FTEs	N/A	(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)
	GF/GP	N/A	(\$93,200)
25. Fund Source Shifts	Gross	N/A	\$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
	Federal	N/A	(8,453,200)
	Local	N/A	(727,600)
	Private	N/A	8,100
	Restricted	N/A	7,834,000
26. Civil Service Commission Economics	Gross	N/A	\$1,771,500
Includes additional funding to cover costs of a 3% salary and wage increase, as well as increases in insurance and retirement for union employees; reduces funding for workers' compensation premium costs.	IDG	N/A	64,100
	Federal	N/A	408,300
	Local	N/A	80,400
	Private	N/A	10,800
	Restricted	N/A	484,100
	GF/GP	N/A	\$723,800
27. Transfer of Staff	FTEs	N/A	1.0
Reflects the transfer of 4.0 human resources-related FTE positions and associated costs from the Department of Corrections to the Civil Service Commission, and reflects the transfer of 3.0 training staff and associated operating costs from the Civil Service Commission to the Department of Human Services.	Gross	N/A	\$122,900
	Federal	N/A	(225,500)
	GF/GP	N/A	\$348,400

Boilerplate Changes From FY 2009-10

MANAGEMENT AND BUDGET

Sec. 724. Document and Data Imaging – DELETED

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. 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.

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.

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.

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.

Boilerplate Changes From FY 2009-10

TECHNOLOGY SERVICES

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.

Sec. 582. Michigan.gov – DELETED

Requires report on improvements made to Michigan.gov.

CIVIL SERVICE COMMISSION

None

TREASURY

Summary: Conference Report

HB 5880 (S-1) CR-1

Analyst: Ben Gielczyk

	FY 2009-10 YTD as of 2/11/10	FY 2010-11 Rev. Executive	FY 2010-11 House	FY 2010-11 Senate	FY 2010-11 Conference	Difference: Conference From FY 2009-10 YTD	
						Amount	%
IDG/IDT	\$11,120,700	\$14,376,400	\$14,059,900	\$14,158,400	\$14,376,400	\$3,255,700	29.3
Federal	95,782,000	262,209,500	94,476,600	264,473,100	262,691,600	166,909,600	174.3
Local	1,526,400	2,054,000	2,066,500	2,037,200	2,054,000	527,600	34.6
Private	723,700	843,600	852,200	852,200	843,600	119,900	16.6
Restricted	1,353,620,700	1,492,522,300	1,445,419,300	1,410,636,300	1,524,721,000	171,100,300	12.6
GF/GP	151,964,700	201,409,800	199,372,000	201,297,700	120,937,800	(31,026,900)	(20.4)
Gross	\$1,614,738,200	\$1,973,415,600	\$1,756,246,500	\$1,893,454,900	\$1,925,624,400	\$310,886,200	19.3
FTEs	1,867.5	2,181.5	1,885.5	2,190.5	2,199.5	332.0	17.8

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.

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
TREASURY OPERATIONS			
1. GF/GP Budget Reductions	FTEs	N/A	(9.0)
Reduces funding \$1.8 million GF/GP and eliminates 9.0 FTE positions.	Gross	N/A	(\$1,787,700)
Reductions are achieved through consolidated staff reductions, DIT rate and administrative reductions, and targeted program reductions by the department.	GF/GP	N/A	(\$1,787,700)
2. Contractual Services for Other Departments	Gross	N/A	\$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
	Restricted	N/A	1,753,900
	GF/GP	N/A	\$0
3. Tax Compliance	FTEs	338.0	9.0
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
	Restricted	33,103,900	1,000,000
	GF/GP	\$1,884,800	\$0

TREASURY**Budget Changes From FY 2009-10 YTD Appropriations**FY 2009-10 YTD
(as of 2/11/10)Conference
Change
From YTD**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
Gross	\$14,075,100	\$400,000
IDG	2,298,200	0
Restricted	11,776,900	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)
Restricted	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. Line item funding was transferred to the Department of Education budget bill.

Gross	\$2,202,400	(\$2,202,400)
Federal	2,202,400	(2,202,400)

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
Gross	\$9,279,900	\$150,000
Restricted	7,432,000	150,000
GF/GP	\$1,847,900	\$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
IDG	N/A	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
Local	N/A	485,000
Restricted	N/A	408,500
GF/GP	N/A	(\$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	\$391,500
IDG	N/A	391,500
GF/GP	N/A	\$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)
Restricted	N/A	(27,700)
GF/GP	N/A	(\$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)
Gross	\$1,430,800	(\$1,430,800)
Restricted	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
Gross	N/A	\$900,000
GF/GP	N/A	\$900,000

14. Supervision of General Property Tax Law

Includes \$1.0 million in restricted delinquent tax revenue for personal property tax audits. Reduces line by \$100,000 GF/GP as part of target reductions.

Gross	N/A	\$900,000
Restricted	N/A	1,000,000
GF/GP	N/A	(\$100,000)

TREASURY

Budget Changes From FY 2009-10 YTD Appropriations		FY 2009-10 YTD (as of 2/11/10)	Conference Change From YTD
15. Michigan Finance Authority			
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.			
	FTEs	N/A	18.0
	Gross	N/A	\$2,971,500
	Restricted	N/A	2,971,500
	GF/GP	N/A	\$0
16. Land Bank Fast Track Authority			
Includes \$2.0 million in Gross funding for the Land Bank Fast Track Authority which was transferred to the Department of Treasury under Executive Order 2010-2. \$157,500 is unrolled and placed in the Information Technology section.			
	FTEs	N/A	6.0
	Gross	N/A	\$2,037,200
	Restricted	N/A	2,037,200
	GF/GP	N/A	\$0
17. Michigan State Housing Development Authority			
Includes \$223.7 million Gross funding for the Michigan State Housing Development Authority which was transferred to the Department of Treasury under Executive Order 2010-2.			
	FTEs	N/A	289.0
	Gross	N/A	\$223,663,600
	Federal	N/A	168,044,200
	Restricted	N/A	55,619,400
	GF/GP	N/A	\$0
18. Economic Adjustments			
Increases funding by \$6.1 million Gross and \$661,300 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.			
	Gross	N/A	\$6,982,400
	IDG	N/A	286,400
	Federal	N/A	535,300
	Local	N/A	42,600
	Restricted	N/A	5,272,400
	GF/GP	N/A	\$845,700
19. Renaissance Zone Reimbursements			
Eliminates funding for Renaissance Zone reimbursements as part of target agreement.			
	Gross	\$2,992,000	(\$2,992,000)
	GF/GP	\$2,992,000	(\$2,992,000)
20. Departmental and Budget Services			
Reduces funding for Departmental and Budget Services by \$95,500 as part of target agreement.			
	Gross	N/A	(\$95,500)
	GF/GP	N/A	(\$95,500)
21. John R. Justice Grant Program			
Includes \$282,100 in federal funding for new John R. Justice Grant program.			
	Gross	N/A	\$282,100
	Federal	N/A	282,100
DEBT SERVICE			
22. Debt Service Payments			
Decreases funding by \$22.5 million based on target reduction to debt service through refinancing and refunding debt service payments.			
	Gross	\$80,177,500	(\$22,544,700)
	Restricted	15,514,500	0
	GF/GP	\$64,663,000	(\$22,544,700)
GRANTS			
23. Convention Facility Development Distribution			
Eliminates \$9.0 million in one-time convention facility development funding associated with Public Act 62 of 2009.			
	Gross	\$83,850,000	(\$9,000,000)
	Restricted	83,850,000	(9,000,000)
CASINO GAMING			
24. Office of Racing Commissioner			
Includes \$2.1 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. Includes added funding (\$358,100) for additional race dates.			
	FTEs	N/A	10.0
	Gross	N/A	\$2,263,100
	Restricted	N/A	2,263,100

TREASURY**Conference
Change
From YTD****FY 2009-10 YTD
(as of 2/11/10)****Budget Changes From FY 2009-10 YTD Appropriations****25. Casino Gaming Control Administration and Information Technology**

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.

FTEs	115.0	1.0
Gross	\$21,011,900	\$1,783,500
Restricted	21,011,900	1,783,500

STATE LOTTERY**26. Promotion and Advertising**

Reduces funding by 5 percent, or \$931,100, for promotion and advertising.

Gross	\$18,622,000	(\$931,100)
Restricted	18,622,000	(931,100)

27. Lottery Operations

Includes \$78,000 Gross and 1.0 FTE positions for assistance in the introduction of Powerball.

FTEs	181.0	2.0
Gross	\$20,847,800	\$78,000
Restricted	20,847,800	78,000

REVENUE SHARING**28. Constitutional Revenue Sharing**

Increases revenue sharing payments by \$11.3 million. Fiscal Year 2009-10 YTD amounts were based on the January 2009 Consensus Revenue Estimating Conference (CREC) figures. Maintained current year combined statutory and constitutional revenue sharing payments. FY 2010-11 recommended amounts are based on May 2010 CREC.

Gross	\$622,137,900	\$11,343,900
Restricted	622,137,900	11,343,900

29. Statutory Revenue Sharing

Decreases statutory revenue sharing payments by \$7.1 million from FY 2009-10 YTD amounts due to increase in Constitutional payments. Maintained current year combined statutory and constitutional revenue sharing payments. FY 2010-11 reflect May 2010 CREC estimates.

Gross	\$314,169,900	(\$7,108,200)
Restricted	314,169,900	(7,108,200)

30. County Revenue Sharing

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.

Gross	\$55,291,700	\$59,449,000
Restricted	55,291,700	59,449,000

MICHIGAN STRATEGIC FUND**31. 21st Century Jobs Program Funding**

Increases funding by \$46.5 million in restricted funding to restore FY 2009-10 transfer to general fund. Statute provides for \$75 million.

Gross	\$28,500,000	\$46,500,000
Restricted	28,500,000	46,500,000

32. Economic Development Job Training (EDJT) Program

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.

Gross	\$4,705,800	(\$4,705,800)
GF/GP	\$4,705,800	(\$4,705,800)

33. Arts and Cultural Grants

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. Also includes \$200,000 in additional federal funding.

Gross	N/A	\$300,000
Federal	N/A	200,000
Private	N/A	100,000

34. Business Incubator Program

Moves line item funding to boilerplate appropriation in the amount of \$1.3 million.

Gross	\$950,000	(\$950,000)
Restricted	950,000	(950,000)

TREASURY

<u>Budget Changes From FY 2009-10 YTD Appropriations</u>		<u>FY 2009-10 YTD (as of 2/11/10)</u>	<u>Conference Change From YTD</u>
35. MSF Economic Adjustments	Gross	N/A	\$447,700
Includes \$447,700 Gross and \$359,700 GF/GP funding for economics, which include increased funding for salaries and wages, retirement, workers' compensation, and insurance costs.	Federal	N/A	50,400
	Private	N/A	19,900
	Restricted	N/A	17,700
	GF/GP	N/A	\$359,700
36. Target Agreement	Gross	N/A	(\$8,100)
Reduces funding in Jobs Creation Services line item by \$8,100 as part of target agreement.	GF/GP	N/A	(\$8,100)

Boilerplate Changes From FY 2009-10

DEPARTMENT OF TREASURY

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.

Sec. 921. Renaissance Zone Reimbursements - DELETED

Directs renaissance zone reimbursement appropriation in part 1 to be used for reimbursements to public libraries. Directs reimbursements to be made not more than 60 days after department has received all necessary information. Funding was eliminated for reimbursements.

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.

Sec. 925. Public-Private Partnership Investment Program - REVISED

Includes current year language and revises to state that public private investments shall not include activities related to the Detroit River international crossing.

Sec. 925a. Public Private Partnership Appropriations - NEW

Includes new language prohibiting the funds appropriated for the public private partnership investment program from being used for activities related to the Detroit River international crossing.

Sec. 926. John R. Justice Grant - NEW

Includes new language which designates the John R. Justice grant appropriation as work project appropriations. The project's purpose is to provide student loan forgiveness to qualified public defenders and prosecutors.

Sec. 927. Personal Property Tax Audits - NEW

Includes language which requires the Department of Treasury to submit annual progress reports regarding personal property tax audits.

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.)

Sec. 943. Form 1099-G Mailings - DELETED

Prohibits department from including complete social security numbers in form 1099-G mailings to taxpayers.

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.

Sec. 947. Revenue Enhancement Program - DELETED

Requires quarterly progress reports regarding personal property tax audits. Requires that \$500,000 be used for principal residence exemption compliance program and requires quarterly reports. States that revenue collected under the program shall be used to reimburse the state general fund for the costs of the program prior to making any other appropriation of the funds.

Boilerplate Changes From FY 2009-10

Sec. 949. Tobacco Stamp Program – DELETED

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

Sec. 949. Beverage Container Redemption Antifraud Fund - NEW

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. 950. Revenue Sharing – REVISED

Directs distribution of constitutional and statutory revenue sharing payments to cities, villages, and townships. Revises to require payments to be at 100% of previous year.

Sec. 955. County Revenue Sharing – REVISED

Revises 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.

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.)

Sec. 975. State Services Fee Fund Transfer - DELETED

Authorizes the transfer of \$1.6 million from the State Services Fee Fund to the General Fund.

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.

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

Includes new 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

Includes new 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.

Sec. 979. Thoroughbred Race Purses - NEW

Includes new 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

Includes new 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

Includes new 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

Includes new language which requires MSHDA to provide a report on the Cities of Promise Blight Elimination Program.

Sec. 983. Land Bank Fast Track Authority - NEW

Includes new 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

Includes new 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.

TREASURY

Boilerplate Changes From FY 2009-10

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

Includes new language which allows \$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.

Sec. 1010. Advertising Material - DELETED

Prohibits MSF funding from being spent on premiums or advertising material involving personal effects or apparel except Travel Michigan.

Sec. 1023. Tourism Promotion - REVISED

Revises language to require MSF to coordinate tourism promotion with the tourism industry. Requires annual report, due by July 1, which lists places included in tourism promotion.

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

Revises 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 to include not less than \$1.4 million for the same purpose.

Sec. 1025. Michigan Aerospace Manufacturers Association Allocation - NEW

Includes new language which requires \$250,000 to be allocated to the Michigan Aerospace Manufacturers Association for organizational assistance and to advance and promote the aerospace manufacturing community in the state of Michigan.

Sec. 1028. 21st Century Jobs Fund Limit on Spending - NEW

Includes new language that would cap the amount that could be awarded or committed to \$25.0 million during the first quarter of the fiscal year.

Sec. 1029. 21st Century Jobs Trust Funds Spending Reauthorization - NEW

Includes new language that would provide for a continuation of authorization for 21st Century Jobs Trust funds authorized by PA 225 of 2005.

Sec. 1030. Grant to Detroit Institute of Arts - NEW

Includes language which appropriates up to \$10.0 million from the unreserved general fund general purpose balance to the MSF as a grant to the Detroit Institute of Arts.

Sec. 1034. Business Incubators - REVISED

Includes revised language which stipulates that funding for business incubators be distributed to ten counties or cities. Revised current year language to set aside \$250,000 for Macomb County instead of the city of Detroit. Also changed Ingham County to the city of Lansing. Requires that \$1.3 million in 21st Century Jobs Fund funding be used to fund the listed business incubators.

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

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.