



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bills 503 through 527 (as reported without amendment)

Sponsor: Senator Cameron S. Brown (S.B. 503, 505, 513, 521, & 525)

Senator Ron Jelinek (S.B. 504, 522, & 523)

Senator Mark C. Jansen (S.B. 506, 520, & 526)

Senator Nancy Cassis (S.B. 507)

Senator Gerald Van Woerkom (S.B. 508 & 519)

Senator Jason E. Allen (S.B. 509, 511, 512, 517, & 527)

Senator Buzz Thomas (S.B. 510 & 524)

Senator Wayne Kuipers (S.B. 514 & 516)

Senator Patricia L. Birkholz (S.B. 515)

Senator Tom George (S.B. 518)

Committee: Commerce and Tourism

**CONTENT**

Senate Bill 503 would amend the History, Arts, and Libraries Act to do all of the following:

- Abolish the Department of History, Arts, and Libraries (HAL) and transfer all of its powers, duties, functions, and responsibilities to the Department of State.
- Transfer the Michigan Council for the Arts Fund from HAL to the State Treasury and designate the Department of State as the Fund's administrator.
- Transfer the Michigan Council for the Arts and Cultural Affairs (MCACA) from HAL to the Department of State and require the Secretary of State, rather than the HAL Director, to assign staff to assist the MCACA.

In addition, the bill would repeal Sections 3, 4, 6, and 7 of the HAL Act. Section 3 created the Department, and Section 4 provides for HAL to be headed by a director, appointed by and serving at the pleasure of the Governor. Section 6 provided for the transfer to HAL upon its creation of records, personnel, property, grants, and unspent balances of appropriations, allocations, and other funds. Section 7 allows HAL to enter into cooperative agreements, contracts, or other agreements with one or more governmental entities.

The bill also would rename the HAL Act the "Council for Arts and Cultural Affairs Act".

Senate Bills 504 through 527 would amend various statutes to delete references to the Department of History, Arts, and Libraries and the Director of that Department. In most cases, the bills would refer instead to the Department of State and the Secretary of State.

Senate Bill 504 would amend the Freedom of Information Act; Senate Bill 505 would amend the Management and Budget Act; Senate Bill 506 would amend the Records Reproduction Act; Senate Bill 507 would amend the Charter Township Act; Senate Bill 508 would amend the downtown development authority Act; Senate Bill 509 would amend the Michigan Strategic Fund Act; Senate Bill 510 would amend the Corridor Improvement Authority Act; Senate Bill 511 would amend the General Sales Tax Act; Senate Bill 512 would amend the Income Tax Act; Senate Bill 513 would amend the Michigan Business Tax Act; Senate Bill

514 would amend the Michigan Vehicle Code; Senate Bills 515 and 517 would amend the Natural Resources and Environmental Protection Act; Senate Bill 516 would amend the State School Aid Act; Senate Bill 518 would amend the Library of Michigan Act; Senate Bill 519 would amend the District Library Establishment Act; Senate Bill 520 would amend the State Aid to Public Libraries Act; Senate Bill 521 would amend the Michigan Historical Commission law; Senate Bill 522 would amend Public Act 69 of 1976, which permits HAL to acquire and operate State historic sites; Senate Bill 523 would amend the Michigan Iron Industry Museum Advisory Board Act; Senate Bill 524 would amend the Michigan Freedom Trail Commission Act; Senate Bill 525 would amend the Michigan Historical Markers Act; Senate Bill 526 would amend the Local Historic Districts Act; and Senate Bill 527 would amend the Revised Judicature Act.

Senate Bills 504 through 527 all are tie-barred to Senate Bill 503.

MCL 399.701 et al. (S.B. 503)  
15.243 (S.B. 504)  
18.1284 et al. (S.B. 505)  
24.401 (S.B. 506)  
42.13a (S.B. 507)  
125.1679 (S.B. 508)  
125.2029a & 125.2088j (S.B. 509)  
125.2896 (S.B. 510)  
205.54cc (S.B. 511)  
206.266 & 206.435 (S.B. 512)  
208.1435 (S.B. 513)  
257.811k (S.B. 514)  
324.63523 et al. (S.B. 515)  
388.1632n (S.B. 516)  
324.76503 (S.B. 517)  
397.12 (S.B. 518)  
397.172 (S.B. 519)  
397.552 & 397.575 (S.B. 520)  
399.10 (S.B. 521)  
399.111-399.113 (S.B. 522)  
399.73 & 399.74 (S.B. 523)  
399.82 (S.B. 524)  
399.152 & 399.156 (S.B. 525)  
399.201a (S.B. 526)  
600.2137 (S.B. 527)

Legislative Analyst: Patrick Affholter

## **FISCAL IMPACT**

The bills would abolish the Department of History, Arts, and Libraries and transfer all of its powers, duties, functions, and responsibilities to the Department of State. This would be accomplished through a Type III transfer as defined in the Management and Budget Act. A Type III transfer abolishes an existing department or other State entity and, in addition to transferring the responsibilities, transfers appropriation balances, allocations, and other funds. The appropriations for HAL in FY 2008-09 total \$51,068,400, of which \$37,602,200 is General Fund/General Purpose revenue. Under the bills, the remaining balances in the HAL appropriations would be transferred from HAL to the Department of State. Also, HAL has authority for 226.0 full-time equivalent classified employees.

It is estimated that abolishing HAL and transferring the responsibilities to the Department of State would result in an unknown amount administrative savings. The position of Department Director would be eliminated; however, this position has been vacant since December 2008 and savings from this vacancy are already being realized. The amount of

additional savings would depend on the degree to which administrative functions could be combined or eliminated. There would likely be some additional costs in the first year due to the possible relocation of staff and the need to revise forms and documents to reflect the location of former HAL programs within the Department of State.

Currently, HAL operates a number of programs including the Library of Michigan, the Michigan Historical Center and other historic sites, the State Records Centers and Archives, the State Historic Preservation Office, and the Mackinac Island State Park Commission. The Department also administers Arts and Cultural Grants, which are distributed on a competitive basis by the Michigan Council for Arts and Cultural Affairs, and State Aid to Libraries, which is distributed pursuant to a statutory formula.

Several HAL programs affect local governments. These programs, which include State Aid to Libraries and administrative functions regarding libraries and local historic preservation, would move from HAL to the Department of State; however, no program changes are included in the bills. Thus, the transfer of responsibilities pursuant to the bills would not have a fiscal impact on local government.

Date Completed: 8-27-09

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.