



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

FY 2004-05 Year-to-Date Gross Appropriation \$59,121,400

Changes from FY 2004-05 Year-to-Date:

Items Included by the Senate and House

- 1. **Historical Grants.** Retained \$100,000 for competitive grants for local and State historical societies and the State Historical Preservation Network. (100,000)
** The Governor vetoed this grant program funded at \$100,000 in FY 2004-05.*
- 2. **Economic Adjustments.** Included \$1,559,000 to restore FY 2004-05 employee concession and apply standard economic adjustments. 1,559,000
- 3. **Other Changes.** Technical base correction, \$3,000; removal of one-time Federal funds of \$2,564,600; reduction in educational programs of \$300,000; Department of Information Technology Economics, \$61,600; administrative reductions of \$145,600, increased \$14,700 for Human Resources Optimization and reduced IDG from Department of Transportation by \$10,700. (2,941,600)

Conference Agreement on Items of Difference

- 4. **Arts and Cultural Grants.** The Conference Committee provided \$9,828,400, a decrease of \$2,042,900 from the prior year. (1,942,900)
- 5. **State Aid to Libraries and State Aid to Cooperative Libraries.** The Conference Committee split State Aid to Libraries into two line items: one for Cooperative Libraries and one for other eligible public libraries. The State Aid for Cooperative Libraries is set at \$4,649,800, the same level of State Aid that the cooperatives received in FY 2004-05. The line for State Aid to Public Libraries is set at \$7,177,300. In total, funding for State Aid to Libraries is reduced by \$1,500,000 or 11.3%. This reduction will be borne by public libraries in their own State aid and in their State aid amounts that are restricted for payments to cooperative libraries. (1,500,000)
- 6. **Mackinac Island State Park Commission Fund Shift.** The Conference Committee restored \$1,499,100 GF/GP that the Governor proposed to replace with fee revenue. 0
- 7. **Preservation and Access for Michigan (Digitization).** The Conference Committee concurred with the Senate and funded this program at \$481,800. (965,000)
** The Governor vetoed this program funded at \$965,000 in FY 2004-05.*
- 8. **Book Distribution Centers.** The Conference Committee concurred with the House, increasing funding for this program by \$22,500 to \$350,000. 22,500
- 9. **Wayne County Library for Blind and Physically Handicapped.** The Conference Committee concurred with the Senate position and eliminated this grant. (44,800)
- 10. **Other Changes.** The Conference Committee reduced GF/GP by \$465,800 for contract and insurance savings; provided an increase of \$43,900 to the Film Office; included a \$500,000 IDG from the Department of Transportation for roads on Mackinac Island; split funding for Freedom Trail Commission with Lighthouse Grants and increased by \$300; reduced funding for the Department of Information Technology by \$17,900; and retained funding for Michigan History Day. 10,500
** The Governor vetoed \$25,000 of funding for Michigan History Day and \$25,000 for Lighthouse Preservations grants.*

Total Changes..... (\$5,902,300)

FY 2005-06 Conference Report Gross Appropriation \$53,219,100

** Vetoed by the Governor*

Changes from FY 2004-05 Year to Date:Items Included by the Senate and House

1. **Contingency Fund Language.** The House and Senate deleted contingency fund language proposed by the Governor.
2. **Michigan Council for Arts and Cultural Affairs.** The House and Senate adopted language proposed by the Governor. (Sec. 401-406)
3. **Boilerplate Sections.** The House and Senate concurred on retaining sections on privatization (207), affirmative action (211), exploration of alternative funding sources (218), reporting on unexpended grant funds (408), mailing list availability (507), and notices to Subcommittee on distribution of unexpended funds (410(14)) and prior to sail of surplus items from the State's collections (506).

Conference Agreement on Items of Difference

4. **Deprived and Depressed Community Purchasing Requirements.** The Conference Committee did not include this language.
5. **Report on HAL Service Fund.** The Conference Committee included the Governor and House language that added exhibits and programs to the fee for service activity list. (Sec. 216)
6. **State Employee Discipline.** The Conference Committee included the Senate language to prohibit the Department from taking disciplinary action against an employee for communicating with members of the legislature or their staff. (Sec. 219)
7. **Film Commission Minutes.** The Conference Committee modified Senate language to provide copies of proposed and approved minutes of the commission within eight business days of the commission action. (Sec. 220)
8. **Intent Language on Income Tax Form Donations for Arts Grants.** The Conference Committee included the Senate language. (Sec. 407)
9. **Intent Language on Funding for Holocaust Memorial.** The Conference Committee did not include language added by the House.
10. **Lighthouse Preservation Program.** The Conference Committee retained current-year language but with a funding level of \$25,000 and deleted language regarding grant cap of \$40,000. (Sec. 504)
** The Governor vetoed this language.*
11. **Michigan Freedom Trail.** The Conference Committee changed the amount to \$25,000. (Sec. 505)
12. **Book Distribution Centers.** The Conference Committee retained language to require an equal distribution of the appropriation between the two providers. (Sec. 607)
13. **Preservation and Access for Michigan.** The Conference Committee retained current-year language and changed the cap on total awards to 45.0%. (Sec. 609)
** The Governor vetoed this language.*
14. **Cooperative Libraries.** The Conference Committee added new language requiring the allocation to the Cooperative Libraries to be maintained at the current-year level. (Sec. 610)
15. **Mackinac Island.** The Conference Committee added new language stating any additional GF/GP that is allocated to the Island would result in an equal transfer of funding to the Arts Grants and State Aid to Libraries line items. (Sec. 700)

Date Completed: 10-31-05

Fiscal Analyst: Elizabeth Pratt and Maria Tyszkiewicz