

SENATE BILL No. 274

March 2, 2005, Introduced by Senators CLARKE and EMERSON and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2006; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the department of

1
2
3
4

1 history, arts, and libraries for the fiscal year ending September
 2 30, 2006, from the funds indicated in this part. The following is
 3 a summary of the appropriations in this part:

4 **DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES**

5 APPROPRIATION SUMMARY:

| | | | |
|----|--|-------|---------------|
| 6 | Full-time equated unclassified positions..... | 6.0 | |
| 7 | Full-time equated classified positions..... | 232.0 | |
| 8 | GROSS APPROPRIATION..... | | \$ 56,178,900 |
| 9 | Interdepartmental grant revenues: | | |
| 10 | Total interdepartmental grants and intradepartmental | | |
| 11 | transfers | | 149,700 |
| 12 | ADJUSTED GROSS APPROPRIATION..... | | \$ 56,029,200 |
| 13 | Federal revenues: | | |
| 14 | Total federal revenues..... | | 8,218,300 |
| 15 | Special revenue funds: | | |
| 16 | Total local revenues..... | | 0 |
| 17 | Total private revenues..... | | 577,400 |
| 18 | Total other state restricted revenues..... | | 4,082,700 |
| 19 | State general fund/general purpose..... | | \$ 43,150,800 |
| 20 | Sec. 102. DEPARTMENT OPERATIONS | | |
| 21 | Full-time equated unclassified positions..... | 6.0 | |
| 22 | Full-time equated classified positions..... | 30.0 | |
| 23 | Unclassified salaries--6.0 FTE positions..... | | \$ 222,300 |
| 24 | Management services--29.0 FTE positions..... | | 2,020,700 |
| 25 | Building occupancy charges and rent..... | | 2,927,000 |
| 26 | Worker's compensation..... | | 16,000 |
| 27 | Film office--1.0 FTE position..... | | 131,900 |

| | | | |
|----|---|-----|-------------------|
| 1 | Human resources optimization user charges | | <u>29,500</u> |
| 2 | GROSS APPROPRIATION | \$ | 5,347,400 |
| 3 | Appropriated from: | | |
| 4 | Special revenue funds: | | |
| 5 | State general fund/general purpose | \$ | 5,347,400 |
| 6 | Sec. 103. INFORMATION TECHNOLOGY | | |
| 7 | Information technology services and projects | \$ | <u>955,400</u> |
| 8 | GROSS APPROPRIATION | \$ | 955,400 |
| 9 | Appropriated from: | | |
| 10 | Interdepartmental grant revenues: | | |
| 11 | IDG-MDOT, comprehensive transportation fund | | 200 |
| 12 | IDG-MDOT, state aeronautics fund | | 100 |
| 13 | IDG-MDOT, state trunkline fund | | 3,500 |
| 14 | Special revenue funds: | | |
| 15 | Game and fish protection fund | | 100 |
| 16 | Mackinac Island state park fund | | 45,100 |
| 17 | Special revenue, internal service and pension trust .. | | 3,100 |
| 18 | State lottery fund | | 900 |
| 19 | State general fund/general purpose | \$ | 902,400 |
| 20 | Sec. 104. MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS | | |
| 21 | Full-time equated classified positions | 9.0 | |
| 22 | Administration--9.0 FTE positions | \$ | 701,000 |
| 23 | Arts and cultural grants | | <u>11,328,400</u> |
| 24 | GROSS APPROPRIATION | \$ | 12,029,400 |
| 25 | Appropriated from: | | |
| 26 | Federal revenues: | | |
| 27 | NFAH-NEA, promotion of the arts, partnership agreements | | 700,000 |

| | | | |
|----|--|----|------------------|
| 1 | Special revenue funds: | | |
| 2 | State general fund/general purpose | \$ | 11,329,400 |
| 3 | Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION | | |
| 4 | Full-time equated classified positions..... | | 39.0 |
| 5 | Mackinac Island park operation--24.3 FTE positions ... | \$ | 1,446,000 |
| 6 | Historical facilities system--14.7 FTE positions | | <u>1,692,900</u> |
| 7 | GROSS APPROPRIATION..... | \$ | 3,138,900 |
| 8 | Appropriated from: | | |
| 9 | Special revenue funds: | | |
| 10 | Mackinac Island state park operation fees | | 1,649,100 |
| 11 | Mackinac Island state park fund..... | | 1,489,800 |
| 12 | State general fund/general purpose | \$ | 0 |
| 13 | Sec. 106. MICHIGAN HISTORICAL PROGRAM | | |
| 14 | Full-time equated classified positions..... | | 83.0 |
| 15 | Federal programs--12.0 FTE positions | \$ | 1,960,900 |
| 16 | Heritage publications..... | | 700,000 |
| 17 | Historical administration and services--71.0 FTE | | |
| 18 | positions | | 5,089,300 |
| 19 | Private grants and gifts..... | | 502,400 |
| 20 | Thunder Bay national marine sanctuary and underwater | | |
| 21 | preserve | | <u>196,100</u> |
| 22 | GROSS APPROPRIATION..... | \$ | 8,448,700 |
| 23 | Appropriated from: | | |
| 24 | Interdepartmental grant revenues: | | |
| 25 | IDG-MDOT, comprehensive transportation fund..... | | 6,100 |
| 26 | IDG-MDOT, state aeronautics fund..... | | 3,700 |
| 27 | IDG-MDOT, state trunkline fund..... | | 136,100 |

| | | |
|----|--|---------------|
| 1 | Federal revenues: | |
| 2 | DOI-NPS, historic preservation grants-in-aid | 1,395,700 |
| 3 | Federal funds | 565,200 |
| 4 | Special revenue funds: | |
| 5 | Private - grants and gifts | 400,000 |
| 6 | Private - Mann house trust fund | 102,400 |
| 7 | Game and fish protection fund | 3,900 |
| 8 | Heritage publication fund | 700,000 |
| 9 | Marine safety fund | 500 |
| 10 | Special revenue, internal service and pension trust .. | 76,200 |
| 11 | State lottery fund | 26,200 |
| 12 | Waterways fund | 900 |
| 13 | State general fund/general purpose | \$ 5,031,800 |
| 14 | Sec. 107. LIBRARY OF MICHIGAN | |
| 15 | Full-time equated classified positions | 71.0 |
| 16 | Collected gifts and fees | 161,900 |
| 17 | Library of Michigan operations--71.0 FTE positions ... | 6,362,900 |
| 18 | Library services and technology act | 5,557,400 |
| 19 | Grant to Detroit public library | 300,000 |
| 20 | State aid to libraries | 13,327,100 |
| 21 | Subregional state aid | 505,000 |
| 22 | Wayne County library for the blind and physically | |
| 23 | handicapped | <u>44,800</u> |
| 24 | GROSS APPROPRIATION | \$ 26,259,100 |
| 25 | Appropriated from: | |
| 26 | Federal revenues: | |
| 27 | Library services and technology act | 5,557,400 |

| | | |
|---|---|---------------|
| 1 | Special revenue funds: | |
| 2 | Private - gifts and bequests revenues | 75,000 |
| 3 | User fees | 86,900 |
| 4 | State general fund/general purpose | \$ 20,539,800 |

5 PART 2
6 PROVISIONS CONCERNING APPROPRIATIONS

7 GENERAL SECTIONS

8 Sec. 201. Pursuant to section 30 of article IX of the state
9 constitution of 1963, total state spending from state resources
10 under part 1 for fiscal year 2005-2006 is \$47,233,500.00 and state
11 spending from state resources to be paid to local units of
12 government for fiscal year 2005-2006 is \$17,863,400.00. The
13 itemized statement below identifies appropriations from which
14 spending to units of local government will occur:

15 DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

| | | |
|----|--|---------------|
| 16 | Arts and cultural grants | \$ 3,686,500 |
| 17 | Grant to Detroit public library | 300,000 |
| 18 | State aid to libraries | 13,327,100 |
| 19 | Subregional state aid | 505,000 |
| 20 | Wayne County library for the blind and physically | |
| 21 | handicapped | <u>44,800</u> |
| 22 | Total department of history, arts, and libraries | \$ 17,863,400 |

1 Sec. 202. The appropriations authorized under this bill are
2 subject to the management and budget act, 1984 PA 431, MCL 18.1101
3 to 18.1594.

4 Sec. 203. As used in this appropriation bill:

5 (a) "Department" means the department of history, arts, and
6 libraries.

7 (b) "Director" means the director of the department of history,
8 arts, and libraries.

9 (c) "DOI-NPS" means the United States department of interior,
10 national park service.

11 (d) "Fiscal agencies" means the house fiscal agency and the
12 senate fiscal agency.

13 (e) "FTE" means full-time equated.

14 (f) "IDG" means interdepartmental grant.

15 (g) "MCACA" means the Michigan council for arts and cultural
16 affairs.

17 (h) "MDOT" means the Michigan department of transportation.

18 (i) "NEA" means the national endowment for the arts.

19 (j) "NFAH" means the national foundation of the arts and the
20 humanities.

21 (k) "Subcommittees" means all members of the appropriate
22 subcommittees of the house and senate appropriations committees.

23 Sec. 204. The department of civil service shall bill
24 departments and agencies at the end of the first fiscal quarter for
25 the 1% charge authorized by section 5 of article XI of the state
26 constitution of 1963. Payments shall be made for the total amount
27 of the billing by the end of the second fiscal quarter.

1 Sec. 205. (1) A hiring freeze is imposed on the state
2 classified civil service. State departments and agencies are
3 prohibited from hiring any new full-time state classified civil
4 service employees and prohibited from filling any vacant state
5 classified civil service positions. This hiring freeze does not
6 apply to internal transfers of classified employees from 1 position
7 to another within a department.

8 (2) The state budget director may grant exceptions to this
9 hiring freeze when the state budget director believes that the
10 hiring freeze will result in rendering a state department or agency
11 unable to deliver basic services, cause a loss of revenue to the
12 state, result in the inability of the state to receive federal
13 funds, or necessitate additional expenditures that exceed any
14 savings from maintaining a vacancy. The state budget director
15 shall report quarterly to the chairpersons of the senate and house
16 of representatives standing committees on appropriations the number
17 of exceptions to the hiring freeze approved during the previous
18 quarter and the reasons to justify the exception.

19 Sec. 206. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$2,000,000.00 for
21 federal contingency funds. These funds are not available for
22 expenditure until they have been transferred to another line item
23 in this bill under section 393(2) of the department of management
24 and budget act, 1984 PA 431, MCL 18.1393.

25 (2) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$1,000,000.00 for state
27 restricted contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in this bill under section 393(2) of the department of management
3 and budget act, 1984 PA 431, MCL 18.1393.

4 (3) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$100,000.00 for local
6 contingency funds. These funds are not available for expenditure
7 until they have been transferred to another line item in this bill
8 under section 393(2) of the department of management and budget
9 act, 1984 PA 431, MCL 18.1393.

10 (4) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$750,000.00 for private
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in this bill
14 under section 393(2) of the department of management and budget
15 act, 1984 PA 431, MCL 18.1393.

16 Sec. 208. Unless otherwise specified, the department shall use
17 the Internet to fulfill the reporting requirements of this bill.
18 This requirement may include transmission of reports via electronic
19 mail to the recipients identified for each reporting requirement,
20 or it may include placement of reports on an Internet or Intranet
21 site.

22 Sec. 209. Funds appropriated in part 1 shall not be used for
23 the purchase of foreign goods or services, or both, if
24 competitively priced and of comparable quality American goods or
25 services, or both, are available. Preference should be given to
26 goods or services, or both, manufactured or provided by Michigan
27 businesses if they are competitively priced and of comparable

1 quality.

2 Sec. 210. The director shall take all reasonable steps to
3 ensure businesses in deprived and depressed communities compete for
4 and perform contracts to provide services or supplies, or both.
5 The director shall strongly encourage firms with which the
6 department contracts to subcontract with certified businesses in
7 depressed and deprived communities for services, supplies, or both.

8 Sec. 213. From the funds appropriated in part 1 for information
9 technology, departments and agencies shall pay user fees to the
10 department of information technology for technology-related
11 services and projects. Such user fees shall be subject to
12 provisions of an interagency agreement between the departments and
13 agencies and the department of information technology.

14 Sec. 214. Amounts appropriated in part 1 for information
15 technology may be designated as work projects and carried forward
16 to support technology projects under the direction of the
17 department of information technology. Funds designated in this
18 manner are not available for expenditure until approved as work
19 projects under section 451a of the management and budget act, 1984
20 PA 431, MCL 18.1451a.

21 Sec. 215. (1) The department may provide and enter into
22 agreements to provide general services, training, meetings,
23 information, special equipment, software, and facility use, and
24 technical consulting services to other principal executive
25 departments, state agencies, local units of government, the
26 judicial branch of government, other organizations, and patrons of
27 department facilities. Fees for services shall be reasonably

1 related to the cost of providing the services and shall be used to
2 offset the costs of the services. The department may receive and
3 expend funds in addition to those authorized in part 1 for the
4 following:

5 (a) Supplying census-related information and technical services,
6 publications, statistical studies, population projections and
7 estimates, and other demographic products.

8 (b) Microfilming and other document and data imaging services,
9 media, storage, and copies.

10 (c) Patron copier and document reproduction services and copies.

11 (d) Conferences, training classes, exhibits, programs and
12 workshops conducted as part of the department's mission.

13 (e) Use of specialized equipment, facilities, and software that
14 permit distance learning and meetings, and group decision making.

15 (f) Special services including the rental of department exhibits
16 and collections.

17 (2) The funds received under this section may be deposited and
18 expended from the history, arts, and libraries fund specified in
19 section 216.

20 Sec. 216. A fund known as the history, arts, and libraries fund
21 is created in the department. The fund may be used to receive and
22 expend funds in addition to those authorized in part 1. The fund
23 balance may be carried forward for expenditure in subsequent fiscal
24 years.

25 Sec. 217. (1) Due to the current budgetary problems in this
26 state, out-of-state travel for the fiscal year ending September 30,
27 2006 shall be limited to situations in which 1 or more of the

1 following conditions apply:

2 (a) The travel is required by legal mandate or court order or
3 for law enforcement purposes.

4 (b) The travel is necessary to protect the health or safety of
5 Michigan citizens or visitors or to assist other states in similar
6 circumstances.

7 (c) The travel is necessary to produce budgetary savings or to
8 increase state revenues, including protecting existing federal
9 funds or securing additional federal funds.

10 (d) The travel is necessary to comply with federal requirements.

11 (e) The travel is necessary to secure specialized training for
12 staff that is not available within this state.

13 (f) The travel is financed entirely by federal or nonstate
14 funds.

15 (2) If out-of-state travel is necessary but does not meet 1 or
16 more of the conditions in subsection (1), the state budget director
17 may grant an exception to allow the travel. Any exceptions granted
18 by the state budget director shall be reported on a monthly basis
19 to the senate and house of representatives standing committees on
20 appropriations.

21 (3) Not later than January 1 of each year, each department shall
22 prepare a travel report listing all travel by classified and
23 unclassified employees outside this state in the immediately
24 preceding fiscal year that was funded in whole or in part with
25 funds appropriated in the department's budget. The report shall be
26 submitted to the chairs and members of the senate and house of
27 representatives standing committees on appropriations, the fiscal

1 agencies, and the state budget director. The report shall include
2 the following information:

3 (a) The name of each person receiving reimbursement for travel
4 outside this state or whose travel costs were paid by this state.

5 (b) The destination of each travel occurrence.

6 (c) The dates of each travel occurrence.

7 (d) A brief statement of the reason for each travel occurrence.

8 (e) The transportation and related costs of each travel
9 occurrence, including the proportion funded with state general
10 fund/general purpose revenues, the proportion funded with state
11 restricted revenues, the proportion funded with federal revenues,
12 and the proportion funded with other revenues.

13 (f) A total of all out-of-state travel funded for the
14 immediately preceding fiscal year.

15 **MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

16 Sec. 401. (1) The MCACA in the department shall administer the
17 arts and cultural grants appropriated in part 1.

18 (2) The MCACA shall render fair and independent decisions
19 concerning arts and cultural grant requests and shall do all of the
20 following:

21 (a) Use published criteria to evaluate program quality.

22 (b) Seek to award grants on an equitable geographic basis to the
23 extent possible given the quality of grant applications received.

24 (c) Give priority to projects that serve multiple counties or
25 that leverage significant additional public and private investment.

26 (3) The MCACA shall not award grants for projects or activities
27 that include displays of human wastes on religious symbols,

1 displays of sex acts, and depictions of flag desecration.

2 (4) The MCACA shall provide for fair, equitable, and efficient
3 distribution of funds granted through the regional regranting
4 program. The MCACA shall provide for an annual assessment of grant
5 management and distribution of mini-grant awards by designated
6 regional regranting agencies and review the methodology employed.

7 (5) The MCACA shall continue and expand its efforts to encourage
8 and support nonprofit arts and cultural organizations to transition
9 from solely volunteer-based organizations to professionally
10 directed operations. Criteria for support include the requirement
11 of collaboration between these organizations and other community
12 organizations.

13 Sec. 402. The MCACA may award grants to counties, cities,
14 villages, townships, community foundations and organizations in the
15 following categories:

16 (1) Anchor organization program for organizations that serve
17 regional and statewide audiences. Anchor organizations shall
18 demonstrate a commitment to education, to mentoring smaller
19 organizations, and to reaching underserved audiences.

20 (2) Arts projects program.

21 (3) Arts and learning program.

22 (4) Artists in residence for education program.

23 (5) Arts organization development program.

24 (6) Capital improvement program.

25 (7) Local arts agencies services program.

26 (8) Regional regranting program.

27 (9) Partnership program.

1 (10) Discretionary grants program.

2 (11) Rural arts and cultural program.

3 (12) Cultural projects program.

4 (13) Historical projects program.

5 Sec. 403. (1) From the state funds appropriated in part 1 for
6 arts and cultural grants, no one organization may receive more than
7 17% of this funding. It is the intent of the legislature that this
8 percentage be reduced to 16% in fiscal year 2007, and 15% in fiscal
9 year 2008.

10 (2) The MCACA shall make every effort to provide total grant
11 awards in the anchor organization program at a level not to exceed
12 70% of the total amount appropriated for arts and cultural grants.

13 (3) As documented in the audit report that is submitted as part
14 of the grant application process, the total of all grants awarded
15 to any organization receiving grants within the anchor organization
16 program may not exceed 15% of their "total unrestricted revenues,
17 gains, and other support," as defined by the financial accounting
18 standards board in the accounting standards for not-for-profit
19 organizations.

20 (4) Before any amount appropriated for arts and cultural grants
21 in part 1 may be expended for a grant to an eligible recipient, the
22 department shall execute a grant agreement with the recipient. The
23 grant agreement shall identify the projects funded and specify the
24 category in section 403 under which the grant is awarded.

25 Sec 404. Grant applicants must meet and adhere to the following
26 requirements:

27 (1) Each applicant shall pay a nonrefundable application fee of

1 \$300 or 3% of the desired grant amount, whichever is less. The
2 department may use the application fee to offset its direct and
3 indirect costs.

4 (2) An applicant for a grant under the anchor organization
5 program shall submit with the application the applicant's most
6 recent annual audit report which states their "total unrestricted
7 revenues, gains, and other support," as defined by the financial
8 accounting standards board in the accounting standards for not-for-
9 profit organizations. The audit report must cover an audit period
10 that ends within 18 months of the date of the application.

11 (3) Each applicant shall identify proposed matching funds from
12 local and/or private sources on a dollar-for-dollar basis. The
13 dollar-for-dollar match may include the reasonable value of
14 services, materials, and equipment as allowed under the federal
15 internal revenue code for charitable contributions.

16 Sec. 405. (1) Each grant recipient shall provide the MCACA with
17 the following:

18 (a) The MCACA shall receive proof of the entire amount of the
19 matching funds, services, materials, or equipment by the end of the
20 award period.

21 (b) Within 30 days following the end of the grant period, a
22 final report that includes the following:

23 (i) Project revenues and expenditures including grant matching
24 fund amounts.

25 (ii) Number of patrons attracted or benefiting during the grant
26 period.

27 (iii) A narrative summary of each project and its outcome.

1 (c) By April 7 of the grant year, each recipient of a grant
2 greater than \$100,000 shall submit an interim report that includes
3 the items identified in subdivision (b).

4 Sec. 406. The department shall make the following reports:

5 (1) An electronic report identifying the website location that
6 contains a list of all grant recipients, sorted by county. This
7 report shall be provided to each legislator within 1 business day
8 of the announcement of annual awards by the MCACA.

9 (2) An electronic report to the appropriations subcommittees,
10 the state budget office, and the fiscal agencies, within 30 days
11 after the MCACA announces the annual grant awards, that includes:

12 (a) A listing of each applicant.

13 (b) The county of residence of the applicant.

14 (c) The amount requested.

15 (d) The amount awarded.

16 (e) The grant category under which an applicant applied.

17 (f) A summary of projects funded for each recipient.

18 (g) The expected number of patrons for an applicant during the
19 grant period.

20 (h) The amount of matching funds proposed by each applicant.

21 (i) A listing containing the information in subparagraph (1) and

22 (a) to (f) for any regranted funds in the preceding fiscal year.

23 (3) An annual report to the appropriations subcommittees, the
24 state budget office, and the fiscal agencies is due when materials
25 are first distributed by the MCACA seeking grant applications for
26 the subsequent fiscal year. The report shall contain the
27 following:

1 (a) The MCACA guidelines for awarding grants.

2 (b) A summary of any changes in the program guidelines from the
3 previous fiscal year.

4 **MICHIGAN HISTORICAL PROGRAM**

5 Sec. 501. The federal funds appropriated in part 1 for the
6 historic site preservation grants are for work projects and shall
7 not lapse at the end of the fiscal year but shall continue to be
8 available for expenditure until the projects for which the funds
9 were reserved have been completed or are terminated. The purpose
10 of these work projects is the identification, designation, and
11 preservation of historic resources. The method used will be to
12 solicit applications, score applications based upon established
13 criteria, and award subgrants on a competitive basis to eligible
14 recipients. The department shall execute a grant agreement with
15 each recipient. The total cost is \$1,348,000.00 and the tentative
16 completion date is September 30, 2007.

17 Sec. 502. Funds collected by the department under sections 3,
18 6, 7, and 7a of 1913 PA 271, MCL 399.3, 399.6, 399.7, and 399.7a,
19 are appropriated to the department for the purposes for which they
20 were received and may be carried forward for expenditure in
21 subsequent fiscal years.

22 Sec. 503. For the purposes of administering the museum store as
23 provided in section 7a of 1913 PA 271, MCL 399.7a, the department
24 is exempt from section 261 of the management and budget act, 1984
25 PA 431, MCL 18.1261.

26 Sec. 505. From the funds appropriated in part 1 for historical
27 administration and services, \$49,700.00 shall be allocated to

1 support the operations of the Michigan freedom trail commission as
2 specified in section 4 of the Michigan freedom trail commission
3 act, 1998 PA 409, MCL 399.84. These funds shall be used to
4 reimburse commission members, to pay for necessary contractual
5 services of the commission, and to hire not more than 1.0 FTE
6 position in the department's Michigan historical center to support
7 commission operations.

8 Sec. 506. Proceeds in excess of costs incurred in the conduct
9 of auctions, sales, or transfers of artifacts no longer considered
10 suitable for the collections of the state historical museum are
11 appropriated to the department and may be expended upon receipt for
12 additional material for the collection.

13 LIBRARY OF MICHIGAN

14 Sec. 601. In order to receive subregional state aid as
15 appropriated in part 1 to the library of Michigan, a subregional
16 library's fiscal agency must agree to maintain local funding
17 support at the same level in the current fiscal year as in the
18 fiscal agency's preceding fiscal year. If a reduction in
19 expenditures equally affects all agencies in a local unit of
20 government that is the subregional library's fiscal agency, that
21 reduction shall not be interpreted as a reduction in local support
22 and shall not disqualify a subregional library from receiving state
23 aid under part 1. If a reduction in income affects a library
24 cooperative or district library that is a subregional library's
25 fiscal agency or a reduction in expenditures for the subregional
26 library's fiscal agency, a reduction in expenditures for the
27 subregional library shall not be interpreted as a reduction in

1 local support and shall not disqualify a subregional library from
2 receiving state aid under part 1.

3 Sec. 602. The funds appropriated in part 1 for a subregional
4 library shall not be released until a budget for that subregional
5 library has been approved by the department for expenditures for
6 library services directly serving the blind and persons with
7 disabilities. Subregional state aid shall be used only for
8 providing services to the blind and to persons with disabilities.

9 Sec. 603. Of the funds appropriated in part 1 for the operation
10 of the library of Michigan, a portion may be used for statewide
11 database access such as making computerized databases, searches of
12 those databases, and the products of those searches available
13 through the libraries of Michigan. Only those libraries that
14 qualify under the federal library services and technology act,
15 subtitle B of title II of the museum and library services act,
16 title II of the arts, humanities, and cultural affairs act of 1976,
17 Public Law 94-462, 110 Stat. 3009-295, are eligible to participate
18 in these activities.