

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
TOTAL GENERAL GOVERNMENT**



Analysts: Robin R. Risko and Ben Gielczyk

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$644,781,100	\$669,128,900	\$24,347,800	3.8	\$672,284,600	\$3,155,700	0.5
Federal	277,499,300	273,049,700	(4,449,600)	(1.6)	273,736,300	686,600	0.3
Local	3,434,400	3,555,800	121,400	3.5	3,604,000	48,200	1.4
Private	1,414,500	930,700	(483,800)	(34.2)	936,900	6,200	0.7
Restricted	1,804,038,200	1,719,546,400	(84,491,800)	(4.7)	1,765,381,500	45,835,100	2.7
GF/GP	590,492,600	672,565,900	82,073,300	13.9	677,258,200	4,692,300	0.7
Gross	\$3,321,660,100	\$3,338,777,400	\$17,117,300	0.5	\$3,393,201,500	\$54,424,100	1.6
FTEs	7,709.2	7,732.2	23.0	0.3	7,732.2	0.0	0.0

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

Overview

Currently, the following departmental and agency budgets are included in the General Government appropriations 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 State Building Authority rent costs), and Treasury (including Bureau of State Lottery, Michigan Gaming Control Board, Michigan Strategic Fund, Revenue Sharing, and Debt Service). **Budget issues are listed by department on the following pages.**

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13.

GENERAL SECTIONS OF BOILERPLATE

Sec. 207. Information Technology Work Project Accounts - NEW

Designates appropriations for information technology as work project accounts.

Sec. 213. Purchase of Ownership Interest In a Casino - DELETED

Prohibits use of appropriations to purchase an ownership interest in a casino enterprise or gambling operation.

Sec. 216. Out-of-State Travel Restrictions - REVISED

Limits out-of-state travel; deletes requirement to report annually on all out-of-state travel funded with department appropriations; adds language which authorizes State Budget Director to grant exceptions to allow travel and requires monthly report on number of exceptions.

Sec. 217. General Fund Restrictions - DELETED

Prohibits using general fund appropriations where federal funds are available for the same purpose.

Sec. 221. Reporting Requirement on Policy Changes - DELETED

Requires departments to report on policy changes made in order to implement enacted legislation.

Sec. 230. FTE Positions and Transparency Websites - REVISED

Deletes requirement to report on number of FTE positions in pay status by civil service classification; retains requirement for executive branch departments to develop, post, and maintain Internet sites showing all expenditures.

Sec. 231. Transparency Website Expenditure - DELETED

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

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
DEPARTMENT OF ATTORNEY GENERAL**



Analyst: Robin R. Risko

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$21,300,300	\$21,885,400	\$585,100	2.7	\$22,539,600	\$654,200	3.0
Federal	8,565,700	8,848,800	283,100	3.3	9,073,800	225,000	2.5
Local	0	0	0	0.0	0	0	0.0
Private	0	0	0	0.0	0	0	0.0
Restricted	14,987,700	15,489,100	501,400	3.3	15,879,700	390,600	2.5
GF/GP	28,559,400	28,117,600	(441,800)	(1.5)	28,828,100	710,500	2.5
Gross	\$73,413,100	\$74,340,900	\$927,800	1.3	\$76,321,200	\$1,980,300	2.7
FTEs	520.0	520.0	0.0	0.0	520.0	0.0	0.0

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and not legally-binding appropriations.

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 making the state a safe place for its citizens, offering justice to victims of crime, defending common natural resources and monetary assets of the state, and delivering excellent legal services at a minimum cost to taxpayers.

Budget Changes From FY 2010-11 YTD Appropriations	House Changes		
	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
1. Line Item Roll-Ups Current year budget contains 6 line items. Executive budget contains 2 line items. House budget contains 5 line items.			
2. GF/GP Reductions Reflects a savings to be achieved by not filling vacant positions and through attrition.	Gross GF/GP	N/A N/A	(\$142,400) (\$142,400)
3. Early Retirement Savings Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.	Gross GF/GP	N/A N/A	(\$1,285,600) (\$1,285,600)
4. SOCC Reduction Reflects a savings due to the 10% reduction in the Attorney General's salary implemented January 1, 2011. This figure is the amount of savings that will occur in the first three months of FY 2011-12.	Gross GF/GP	\$115,800 \$115,800	(\$3,300) (\$3,300)
5. PACC Grant Award Reduction Includes a reduction from the Michigan Justice Training Fund as a result of reduced training services being provided by the Prosecuting Attorneys Coordinating Council.	Gross IDG	\$325,000 325,000	(\$186,000) (186,000)
			\$0 \$0

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>FY 2010-11 YTD (as of 2/17/11)</u>	<u>House Changes</u>	
			<u>FY 2010-11 to FY 2011-12</u>	<u>FY 2011-12 to FY 2012-13</u>
6. State Claims Unit Reduction	Gross	\$1,417,100	(\$62,500)	\$0
Includes a reduction from the Risk Management Revolving Fund as a result of reduced services related to workers' compensation cases being provided by the Department of Attorney General.	IDG	1,417,100	(62,500)	0
7. Economics	Gross	N/A	\$2,607,600	\$1,980,300
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges in FY 2011-12. Also includes additional funding for economic adjustments to be made in FY 2012-13.	IDG	N/A	833,600	654,200
	Federal	N/A	283,100	225,000
	Restricted	N/A	501,400	390,600
	GF/GP	N/A	\$989,500	\$710,500

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13.

None

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
DEPARTMENT OF CIVIL RIGHTS**



Analyst: Robin R. Risko

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$0	\$0	\$0	0.0	\$0	\$0	0.0
Federal	1,750,000	2,213,200	463,200	26.5	2,269,700	56,500	2.6
Local	0	0	0	0.0	0	0	0.0
Private	0	0	0	0.0	0	0	0.0
Restricted	53,000	58,500	5,500	10.4	58,500	0	0.0
GF/GP	10,975,700	9,666,000	(1,309,700)	(11.9)	9,934,900	268,900	2.8
Gross	\$12,778,700	\$11,937,700	(\$841,000)	(6.6)	\$12,263,100	\$325,400	2.7
FTEs	118.0	118.0	0.0	0.0	118.0	0.0	0.0

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

Overview

The Michigan Civil Rights Commission is charged with investigating alleged discrimination against any person because of religion, race, color, national origin, sex, age, marital status, height, weight, arrest record, or physical and mental disabilities. The Commission 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 works to prevent discrimination through 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.

	House Changes		
	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
Budget Changes From FY 2010-11 YTD Appropriations			
1. Line Item Roll-Ups			
Current year budget contains 3 line items. Executive budget contains 1 line item. House budget contains 3 line items.			
2. GF/GP Reductions	Gross	N/A	(\$1,033,200)
Reflects a savings to be achieved by reducing information technology user charges, downsizing technology equipment and building space as a result of the decrease in staff over the past few years, and by not filling vacant positions.	GF/GP	N/A	(\$1,033,200)
3. Early Retirement Savings	Gross	N/A	(\$608,000)
Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.	GF/GP	N/A	(\$608,000)
4. Increased Federal Grant Funding	Gross	\$850,000	\$463,200
Reflects an increase in federal Department of Housing and Urban Development funding based on projections of anticipated revenue in FY 2011-12. Also, increases the same federal grant funding in FY 2012-13, but decreases GF/GP funding by a like amount.	Federal	850,000	463,200
	GF/GP	\$0	\$0
			\$0
			56,500
			(\$56,500)

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>House Changes</u>		
		<u>FY 2010-11 YTD (as of 2/17/11)</u>	<u>FY 2010-11 to FY 2011-12</u>	<u>FY 2011-12 to FY 2012-13</u>
5. Fund Source Shift	Gross	N/A	\$0	\$0
Increases state restricted funding and decreases GF/GP funding in order to more accurately reflect the financing of expenditures.		Restricted	5,500	0
		GF/GP	(\$5,500)	\$0
6. Economics	Gross	N/A	\$498,200	\$325,400
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges in FY 2011-12. Also includes additional funding for economic adjustments to be made in FY 2012-13.		GF/GP	\$498,200	\$325,400
7. Targeted GF/GP Reductions	Gross	N/A	(\$161,200)	\$0
House reduces GF/GP funding for department operations.		GF/GP	(\$161,200)	\$0

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13.

Sec. 401. Private Contingency Funds – NEW

Appropriates up to \$500,000 in private contingency funds for the Department.

Sec. 402. Receipt and Expenditure of Local and Private Funds – REVISED

Authorizes the Department to receive and expend local and private funding for a variety of reasons; adds that funding can be used for staffing costs; deletes reporting requirement.

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
EXECUTIVE OFFICE**



Analyst: Robin R. Risko

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$0	\$0	\$0	0.0	\$0	\$0	0.0
Federal	0	0	0	0.0	0	0	0.0
Local	0	0	0	0.0	0	0	0.0
Private	0	0	0	0.0	0	0	0.0
Restricted	0	0	0	0.0	0	0	0.0
GF/GP	4,630,800	4,399,200	(231,600)	(5.0)	4,399,200	0	0.0
Gross	\$4,630,800	\$4,399,200	(\$231,600)	(5.0)	\$4,399,200	\$0	0.0
FTEs	84.2	84.2	0.0	0.0	84.2	0.0	0.0

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

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.

Budget Changes From FY 2010-11 YTD Appropriations	FY 2010-11 YTD (as of 2/17/11)	House Changes	
		FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
1. Line Item Roll-Ups Current year budget contains 4 line items. Executive budget contains 1 line item. House budget contains 4 line items.			
2. GF/GP Reductions Reflects a savings to be achieved through administrative reductions.	Gross GF/GP	N/A N/A	(\$212,200) (\$212,200)
			\$0 \$0
3. SOCC Reduction Reflects a savings due to the 10% reduction in the Governor's and Lieutenant Governor's salaries implemented January 1, 2011. This figure is the amount of savings that will occur in the first three months of FY 2011-12.	Gross GF/GP	\$288,300 \$288,300	(\$19,400) (\$19,400)
			\$0 \$0

Boilerplate Changes From FY 2010-11

There is no boilerplate for the Executive Office.

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
LEGISLATURE**



Analyst: Robin R. Risko

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$250,000	\$250,000	\$0	0.0	\$250,000	\$0	0.0
Federal	0	0	0	0.0	0	0	0.0
Local	0	0	0	0.0	0	0	0.0
Private	400,000	400,000	0	0.0	400,000	0	0.0
Restricted	1,109,800	1,109,800	0	0.0	1,109,800	0	0.0
GF/GP	100,574,300	98,573,400	(2,000,900)	(2.0)	98,573,400	0	0.0
Gross	\$102,334,100	\$100,333,200	(\$2,000,900)	(2.0)	\$100,333,200	\$0	0.0
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

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 2010-11 YTD Appropriations	House Changes		
	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13

1. Line Item Roll-Ups

Current year budget contains 15 line items. Executive budget contains 1 line item. House budget contains 12 line items.

2. GF/GP Reductions

Reflects a savings to be achieved through administrative reductions.

	Gross	N/A	(\$2,000,900)	\$0
	GF/GP	N/A	(\$2,000,900)	\$0

***Please note: The Legislative Auditor General budget is rolled in with the Legislature budget in the FY 2011-12 and FY 2012-13 Executive budget recommendations and in the proposed House budget, but appears separate in this document.**

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13.

None

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
LEGISLATIVE AUDITOR GENERAL**



Analyst: Robin R. Risko

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$2,301,500	\$3,501,500	\$1,200,000	52.1	\$3,501,500	\$0	0.0
Federal	0	0	0	0.0	0	0	0.0
Local	0	0	0	0.0	0	0	0.0
Private	0	0	0	0.0	0	0	0.0
Restricted	1,539,900	1,539,900	0	0.0	1,539,900	0	0.0
GF/GP	11,155,000	10,597,000	(558,000)	(5.0)	10,597,000	0	0.0
Gross	\$14,996,400	\$15,638,400	\$642,000	4.3	\$15,638,400	\$0	0.0
FTEs	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

Overview

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 Legislative Auditor General is to improve accounting and financial reporting practices and promote effectiveness, efficiency, and economy in state government. The 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 2010-11 YTD Appropriations	House Changes		
	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
1. Line Item Roll-Ups Current year budget contains 2 line items. Executive budget contains 1 line item. House budget contains 2 line items.			
2. GF/GP Reductions Reflects a savings to be achieved through administrative reductions.	Gross GF/GP	N/A N/A	(\$558,000) (\$558,000)
			\$0 \$0
3. Fund Source Adjustment Adjusts the budget to reflect the costs of conducting single audits in a line item appropriation. Prior to this, authorization was provided via boilerplate.	Gross IDG	\$958,600 958,600	\$1,700,000 1,700,000
			\$0 0
4. Technical Adjustment Reduces funding authorized to be received from the Department of Corrections. This funding was included in the FY 2010-11 DOC budget, but was vetoed by the Governor.	Gross IDG	\$500,000 500,000	(\$500,000) (500,000)
			\$0 0

***Please note: The Legislative Auditor General budget is rolled in with the Legislature budget in the FY 2011-12 and FY 2012-13 Executive budget recommendations and in the proposed House budget, but appears separate in this document.**

Boilerplate Changes From FY 2010-11

NOTE: *No boilerplate language is proposed for FY 2012-13.*

Sec. 624. Statewide Single Audit – NEW

Requires a report regarding the feasibility of converting to a statewide single audit; report to include costs involved, required statutory changes, impact on legislative oversight, organizational changes necessary to provide centralized coordination, billing and funding structure changes, corrective action for known internal control weaknesses and prior single audit findings, and a recommendation on implementation.

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
DEPARTMENT OF STATE**



Analyst: Ben Gielczyk

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$20,000,000	\$20,000,000	\$0	0.0	\$20,000,000	\$0	0.0
Federal	1,810,000	1,810,000	0	0.0	1,810,000	0	0.0
Local	0	0	0	0.0	0	0	0.0
Private	100	100	0	0.0	100	0	0.0
Restricted	177,799,500	178,788,700	989,200	0.6	183,142,400	4,353,700	2.4
GF/GP	13,910,800	11,286,200	(2,624,600)	(18.9)	11,586,000	299,800	2.7
Gross	\$213,520,400	\$211,885,000	(\$1,635,400)	(0.8)	\$216,538,500	\$4,653,500	2.2
FTEs	1,815.0	1,815.0	0.0	0.0	1,815.0	0.0	0.0

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

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.

	FY 2010-11 YTD (as of 2/17/11)	House Changes	
		FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
Budget Changes From FY 2010-11 YTD Appropriations			
1. Line Item Roll-Ups			
Current year budget contains 22 line items. Executive budget contains 4 line items. House budget contains 8 line items.			
2. State Officers Compensation Commission Adjustment	Gross	\$115,800	(\$3,300)
Reflects savings of \$3,300 Gross and GF/GP due to the 10.0% reduction in the Secretary of State's salary implemented on January 1, 2011. This amount reflects savings that will occur in first three months of FY 2011-12. No changes recommended in FY 2012-13.	GF/GP	\$115,800	(\$3,300)
3. Early Retirement Savings	Gross	N/A	(\$621,300)
Includes reduction of \$631,300 Gross and GF/GP to reflect full-year savings anticipated as a result of the FY 2010-11 early retirement program. No changes recommended in FY 2012-13.	GF/GP	N/A	(\$621,300)
4. General Fund Reduction	Gross	N/A	(\$2,100,000)
Reduction of \$2.1 million Gross and GF/GP to be achieved through cost savings within the department. No changes recommended in FY 2012-13.	GF/GP	N/A	(\$2,100,000)
5. Economic Adjustments	Gross	N/A	\$1,089,200
Reflects increased costs of \$1.1 million Gross and \$100,000 GF/GP associated with employee benefit costs and other economic adjustments. Additional increase of \$4.7 million Gross and \$299,800 GF/GP for FY 2012-13.	Restricted	N/A	989,200
	GF/GP	N/A	\$100,000
			\$4,653,500
			4,353,700
			\$299,800

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13.

Sec. 705 (5). Department Publications Report – DELETED

Requires report on gifts, donations, contributions, and grants used to underwrite departmental publications along with information on the total revenue received from paid advertising in those publications.

Sec. 706. Help America Vote Act – DELETED

Requires Department of State (DOS) to report on activities and successes of department's enforcement and compliance with provisions contained in Help America Vote Act of 2002.

Sec. 716. Motorcycle Safety Education Program - DELETED

Requires appropriation for Motorcycle Safety Education Grants and Administration to be used for program operation; requires funding to be derived from license endorsements and registration and testing fees; requires funding to be used to help subsidize safety training courses for individuals interested in operating motorcycles. (Funding maintained for program.)

Sec. 716b. Business Application Modernization Project Report - DELETED

Requires the DOS to report on funding expended for the BAM project since its inception.

Sec. 716c. Network Connectivity - DELETED

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.

Sec. 717 (3). Accept Gifts to Support Department Activities Report - DELETED

Requires report of gifts, donations, and contributions received in the prior year to support licensing, regulation, and safety functions.

Sec. 718. Buena Vista Township Branch Office - DELETED

Requires DOS to maintain a full-service branch office in Buena Vista Township.

Sec. 719. General Fund Expenditures - DELETED

Requires DOS to use available restricted funding for expenditures before using general fund dollars.

Sec. 720. Branch Office Relocation in Urban Areas - DELETED

Encourages DOS to locate branch offices in urban areas rather than greenfield sites.

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1**



DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Analyst: Robin R. Risko

	FY 2010-11	FY 2011-12	Difference: FY 2011-12		FY 2012-13	Difference: FY 2012-13	
	Year-to-Date as of 2/17/11		House	Vs. FY 2010-11		House	Vs. FY 2011-12
			Amount	%		Amount	%
IDG/IDT	\$586,552,900	\$609,070,400	\$22,517,500	3.8	\$611,571,900	\$2,501,500	0.4
Federal	2,682,000	2,803,400	121,400	4.5	3,134,500	331,100	11.8
Local	1,380,400	1,456,600	76,200	5.5	1,504,800	48,200	3.3
Private	170,800	180,600	9,800	5.7	186,800	6,200	3.4
Restricted	83,827,300	85,272,900	1,445,600	1.7	88,455,000	3,182,100	3.7
GF/GP	299,748,800	307,513,400	7,764,600	2.6	319,863,800	12,350,400	4.0
Gross	\$974,362,200	\$1,006,297,300	\$31,935,100	3.3	\$1,024,716,800	\$18,419,500	1.8
FTEs	2,972.5	2,986.5	14.0	0.5	2,986.5	0.0	0.0

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

Overview

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, Office of Regulatory Reform, State Building Authority, and Civil Service Commission.

	FY 2010-11 YTD (as of 2/17/11)	House Changes	
		FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
Budget Changes From FY 2010-11 YTD Appropriations			
1. Line Item Roll-Ups			
Current year budget contains 36 line items. Executive budget contains 6 line items. House budget contains 16 line items.			
MANAGEMENT AND BUDGET	Gross	\$241,870,600	\$15,000,000
2. SBA Rent Increase	GF/GP	\$241,870,600	\$15,000,000
Includes additional funding for State Building Authority rent payments to be made for state financed capital outlay projects for state agencies, universities, and community colleges. 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 financing needs for planned projects.			
3. Management and Budget GF/GP Reductions	Gross	N/A	(\$3,137,400)
Reflects a savings to be achieved by eliminating vacant positions; identifying and reducing duplicate functions; allocating more administrative costs to IDG and restricted fund sources resulting in GF/GP savings; reducing contractual services, rent, overtime and administrative support costs; and eliminating the Detroit mail substation.	IDG	N/A	(612,300)
	Rest	N/A	(732,600)
	GF/GP	N/A	(\$1,792,500)
			\$0
			0
			0
			\$0

		<u>House Changes</u>			
		<u>FY 2010-11 YTD (as of 2/17/11)</u>	<u>FY 2010-11 to FY 2011-12</u>	<u>FY 2011-12 to FY 2012-13</u>	
<u>Budget Changes From FY 2010-11 YTD Appropriations</u>					
4. Management and Budget Early Retirement Savings					
Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.		Gross	N/A	(\$1,529,300)	\$0
		GF/GP	N/A	(\$1,529,300)	\$0
5. Gubernatorial Transition					
Eliminates the one-time appropriation included in the FY 2010-11 budget for costs associated with the gubernatorial transition. Funding was used for both the outgoing and incoming governors and covered expenses associated with staff, leave payments, unemployment benefits, office space, supplies, moving, and other related costs.		Gross	\$1,500,000	(\$1,500,000)	\$0
		GF/GP	\$1,500,000	(\$1,500,000)	\$0
6. DMB/DIT Consolidation					
Reflects the transfer of FTE positions and associated funding from the former Department of Information Technology as a result of consolidating the Departments of Management and Budget and Information Technology pursuant to EO 2009-55.		FTE	N/A	39.0	0.0
		Gross	N/A	\$1,400,000	\$0
		IDG	N/A	1,400,000	0
7. Accounting Service Consolidation					
Includes additional FTE positions and associated funding to reflect the transfer of accounting functions from the Departments of Military and Veterans Affairs and State Police to the Department of Technology, Management, and Budget.		FTE	N/A	14.0	0.0
		Gross	N/A	\$1,593,200	\$0
		IDG	N/A	1,593,200	0
8. Building Operations Reductions					
Reflects a savings from reorganizing and restructuring building operations staff and not filling vacant positions.		Gross	\$88,347,300	(\$1,250,000)	\$0
		IDG	88,347,300	(1,250,000)	0
9. Eliminate Professional Development Funds					
Reflects a savings due to elimination of professional development funds for the AFSCME and MPE-SEIU bargaining units.		Gross	\$225,000	(\$225,000)	\$0
		IDG	225,000	(225,000)	0
10. SWCAP-related Fund Source Shifts					
Adjusts IDG, 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.		Gross	N/A	\$0	\$0
		IDG	N/A	101,100	0
		Rest	N/A	293,600	0
		GF/GP	N/A	(\$394,700)	\$0
11. Fund Source and Technical Adjustments					
Adjusts fund sources and makes technical adjustments to reflect where expenditures are anticipated to occur.		Gross	N/A	(\$1,100)	\$0
		IDG	N/A	59,700	0
		Rest	N/A	(111,000)	0
		GF/GP	N/A	\$50,200	\$0
12. Management and Budget Economics					
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges in FY 2011-12. Also includes additional funding for economic adjustments to be made in FY 2012-13. (The change from FY 2011 to FY 2012 represents economics for Management and Budget only. The change from FY 2012 to FY 2013 represents total economics for Management and Budget, Technology Services, and Civil Service Commission.)		Gross	N/A	\$3,175,100	\$9,819,500
		IDG	N/A	1,340,900	2,501,500
		Fed	N/A	0	331,100
		Local	N/A	0	48,200
		Private	N/A	0	6,200
		Rest	N/A	730,100	3,182,100
		GF/GP	N/A	\$1,104,100	\$3,750,400
13. Targeted GF/GP Reductions					
House reduces GF/GP funding for department operations.		Gross	N/A	(\$512,200)	\$0
		GF/GP	N/A	(\$512,200)	\$0

Budget Changes From FY 2010-11 YTD Appropriations	House Changes			
	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13	
TECHNOLOGY SERVICES	Gross	\$415,136,100	\$7,907,900	\$0
14. Align IDGs with FY 2011 Enacted	IDG	415,136,100	7,907,900	0
Adjusts the Technology Services budget to reflect FY 2011 enacted appropriations in other state department budgets:				
<ul style="list-style-type: none"> Increases Agriculture by \$32,000 Decreases DOC by \$600,000 Decreases DOE by \$85,000 Increases DHS by \$8.9 million Decreases DMVA by \$153,200 Decreases DNRE by \$18,700 Increases DSP by \$196,800 Decreases MDOT by \$356,000 				
15. Program Enhancements	Gross	\$415,136,100	\$14,234,900	\$0
Makes the following adjustments to reflect appropriations for program enhancements made in other state department budgets:	IDG	415,136,100	14,234,900	0
<ul style="list-style-type: none"> DCH - \$8.9 million for the HIPPA Electronic Transaction Standards and International Classification of Diseases projects DHS - \$2.7 million for the Statewide Automated Child Welfare Information System DELEG - \$1.8 million for Michigan Business One Stop, an integrated approach to simplifying business-to-government transactions DHS - \$792,300 for new IT staff as a result of the Children's Rights lawsuit 				
16. Eliminate Program Funding	Gross	\$415,136,100	(\$656,000)	\$0
Reflects elimination of funding in various department budgets for programs no longer needing funding:	IDG	415,136,100	(656,000)	0
<ul style="list-style-type: none"> DCH - \$401,000 for Electronic Death Registry DHS - \$255,000 one-time funding for development of the LEIN/Bridges interface 				
17. Technology Services Early Retirement Savings	Gross	N/A	(\$2,795,500)	\$0
Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.	IDG	N/A	(2,795,500)	0
18. DMB/DIT Consolidation	FTE	N/A	(39.0)	0.0
Reflects the transfer of FTE positions and associated funding to the former Department of Management and Budget as a result of consolidating the Departments of Management and Budget and Information Technology pursuant to EO 2009-55.	Gross	N/A	(\$1,431,100)	\$0
	IDG	N/A	(1,431,100)	0
19. Technology Services Budget Reductions	Gross	N/A	(\$1,256,900)	\$0
Reflects a savings to be achieved in various department budgets by aligning the number of desktops with the number of agency IT staff, closing worksites and reducing IT connectivity, not filling vacant IT positions, reducing server and other equipment purchases, and reducing contractual services.	IDG	N/A	(1,256,900)	0
<ul style="list-style-type: none"> Civil Rights savings of \$150,000 DEQ savings of \$270,000 DTMB savings of \$257,400 DNR savings of \$80,600 DSP savings of \$359,900 Treasury savings of \$139,000 				
20. Fund Source Adjustments	Gross	N/A	(\$1,500,400)	\$0
Aligns fund sources to reflect funding actually received:	IDG	N/A	(1,500,400)	0
<ul style="list-style-type: none"> Agriculture - \$160,000 DNR - \$32,100 DSP - \$1.3 million 				

Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	House Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
21. Technology Services Economics	Gross	N/A	\$5,477,600	\$0
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges in FY 2011-12. (FY 2012-13 economic adjustments are included in #12 above.)	IDG	N/A	5,477,600	0
CIVIL SERVICE COMMISSION	Gross	N/A	(\$2,000,000)	\$0
22. Civil Service Commission GF/GP Reductions	GF/GP	N/A	(\$2,000,000)	\$0
Reflects a savings to be achieved by not filling vacant positions.				
23. Civil Service Commission Early Retirement Savings	Gross	N/A	(\$1,616,400)	\$0
Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.	GF/GP	N/A	(\$1,616,400)	\$0
24. Human Resources Consolidation	Gross	N/A	\$277,800	\$0
Includes funding from the Department of Corrections for FTE positions that were transferred as a result of human resources consolidation efforts.	GF/GP	N/A	\$277,800	\$0
25. Civil Service Commission Economics	Gross	N/A	\$2,612,100	\$0
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges in FY 2011-12. (FY 2012-13 economic adjustments are included in #12 above.)	IDG	N/A	129,400	0
	Federal	N/A	121,400	0
	Local	N/A	76,200	0
	Private	N/A	9,800	0
	Restricted	N/A	1,265,500	0
	GF/GP	N/A	\$1,009,800	\$0
26. Targeted GF/GP Reductions	Gross	N/A	(\$332,200)	\$0
House reduces GF/GP funding for Civil Service Commission operations.	GF/GP	N/A	(\$332,200)	\$0

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13.

MANAGEMENT AND BUDGET

Sec. 813.(6) Motor Vehicle Fleet – NEW

Requires the department to use remanufactured parts, if economically feasible, when repairing fleet vehicles.

Sec. 815. Purchasing Decisions – DELETED

Sets guidelines for determining whether a purchase, contract, or provision of supplies, materials, services, insurance, utilities, third-party financing, equipment, printing, and other items for state departments is in the best interest of the state.

TECHNOLOGY SERVICES

Sec. 823.(4) Sale of Paid Advertising – DELETED

Requires report on DTMB website of revenue received and number of advertising transactions.

Sec. 824. Spatial Information and Technical Services – REVISED

Authorizes DTMB to receive and expend funds for supplying spatial information and technical services to other state departments, local units of government, and other organizations; deletes requirement to report fund sources and expenditures.

Sec. 829. Life-Cycle of Hardware and Software – DELETED

Requires report which analyzes and makes recommendations on life-cycle of IT hardware and software.

Sec. 830. Change Orders and Follow-Up On Contracts – REVISED

Requires report on change orders and contract extensions for contracts greater than \$50,000 entered into by DTMB (changed from \$25,000).

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 876. Joint Capital Outlay Subcommittee (JCOS) Authorization – DELETED

Requires JCOS approval of self-funded projects estimated to cost at least \$3.0 million for universities and \$2.0 million for community colleges; exempts U of M hospital and health center; and requires reports on projects commenced.

**Summary: As Reported by House Subcommittee
for Fiscal Years 2011-12 and 2012-13
HB 4274 (H-1) Draft 1
DEPARTMENT OF TREASURY**



Analyst: Ben Gielczyk

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 House	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 House	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$14,376,400	\$14,421,600	\$45,200	0.3	\$14,421,600	\$0	0.0
Federal	262,691,600	257,374,300	(5,317,300)	(2.0)	257,448,300	74,000	0.0
Local	2,054,000	2,099,200	45,200	2.2	2,099,200	0	0.0
Private	843,600	350,000	(493,600)	(58.5)	350,000	0	0.0
Restricted	1,524,721,000	1,437,287,500	(87,433,500)	(5.7)	1,475,196,200	37,908,700	2.6
GF/GP	120,937,800	202,413,100	81,475,300	67.4	193,475,800	(8,937,300)	(4.4)
Gross	\$1,925,624,400	\$1,913,945,700	(\$11,678,700)	(0.6)	\$1,942,991,100	\$29,045,400	1.5
FTEs	2,199.5	2,208.5	9.0	0.4	2,208.5	0.0	0.0

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and are not legally-binding appropriations.

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), Michigan State Housing and Development Authority (MSHDA), 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 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	House Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
1. Line Item Roll-Ups	Current year budget contains 63 line items. Executive budget contains 11 line items. House budget contains 39 line items.			
2. Debt Service Requirements	Reflects increased debt service costs of \$83.3 million GF/GP due to scheduled payment requirements and new issues based on short-term restructuring to achieve FY 2010-11 savings. No changes recommended for FY 2012-13.	Gross \$57,632,800 GF/GP \$42,118,300	\$83,295,200 \$83,295,200	\$0 \$0
3. Presidential Primary Costs	Includes \$10.0 million GF/GP for anticipated costs associated with the next presidential primary. Funds are eliminated in FY 2012-13.	Gross N/A GF/GP N/A	\$10,000,000 \$10,000,000	(\$10,000,000) (\$10,000,000)
4. Payment in Lieu of Taxes	Reflects 15.0% reduction in payment in lieu of taxes (PILT) to local governments. Reduction totals \$2.4 million Gross and \$1.6 million GF/GP. Gross figure includes additional \$513,000 Restricted fund reduction to reflect current year reduction to general fund. No changes recommended for FY 2012-13.	Gross \$12,956,400 Restricted 2,450,000 GF/GP \$10,506,400	(\$2,379,400) (803,400) (\$1,576,000)	\$0 0 \$0

		<u>House Changes</u>		
<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>FY 2010-11 YTD (as of 2/17/11)</u>	<u>FY 2010-11 to FY 2011-12</u>	<u>FY 2011-12 to FY 2012-13</u>
5. Land Bank Fast Track Authority Revolving Fund Loan		Gross	N/A	\$1,000,000
Includes \$1.0 million Federal from the USA Environmental Protection Agency Revolving Loan Fund for cleanup activities at eligible Brownfield sites.		Federal	N/A	1,000,000
6. Unclaimed Property Legislation Costs		FTE	N/A	5.0
Includes \$700,000 Gross and 5.0 FTEs for continuing staff costs associated with FY 2010-11 legislation (PA 197 of 2010) altering period of years after which unclaimed property escheats to the state.		Gross	N/A	\$700,000
		Restricted	N/A	700,000
7. Senior Citizen Cooperative Housing		Gross	\$14,520,000	(\$2,500,000)
Reduces funding by \$2.5 million GF/GP to reflect required scheduled payment amount.		GF/GP	\$14,520,000	(\$2,500,000)
8. Department General Fund Reduction		Gross	N/A	(\$905,500)
Reflects 3.0% across-the-board reduction to Department of Treasury administrative functions. Reduction totals \$905,500 GF/GP.		GF/GP	N/A	(\$905,500)
9. Business Property Tax Appeal		Gross	\$900,000	(\$600,000)
Reduces by \$600,000 GF/GP for expected savings associated with proposed legislation that will adjust concerns on definition of personal property and thereby reduce appeals.		GF/GP	\$900,000	(\$600,000)
10. Fund Source Shifts		Gross	N/A	\$0
Reflects \$1.4 million in fund source shifts from various fund sources to state restricted funds.		IDG/IDT	N/A	(169,000)
		Federal	N/A	(1,184,200)
		Restricted	N/A	1,353,200
11. Targeted General Fund Reductions		Gross	N/A	(\$988,400)
Includes targeted GF/GP reductions to various line items which total (\$988,400) GF/GP. Includes reductions in FY 2012-13 recommendations.		GF/GP	N/A	(\$988,400)
CASINO GAMING				
12. Michigan Gaming Control Board Auditor		FTE	N/A	1.0
Includes \$90,200 Gross and 1.0 FTE to staff one new auditor required for audits for recently opened tribal casinos.		Gross	N/A	\$90,200
		Restricted	N/A	90,200
REVENUE SHARING				
13. Constitutional Revenue Sharing		Gross	\$633,481,800	\$25,497,500
Reflects projected increase of \$25.5 million Gross in Constitutional revenue sharing from FY 2010-11 appropriation. The FY 2011-12 figure is based on January 2011 Consensus Revenue Estimating Conference (CREC) estimates. Includes projected increase of \$21.5 million Gross for FY 2012-13.		Restricted	633,481,800	\$25,497,500
14. Economic Vitality Incentive Program		Gross	\$307,061,700	(\$107,061,700)
Eliminates Statutory Revenue Sharing and replaces with Economic Vitality Incentive Program for CVTs. Details of program described in accompanying boilerplate section 951. Reflects a net reduction of \$107.1 million Gross for FY 2011-12. No changes recommended for FY 2012-13.		Restricted	307,061,700	(107,061,700)
15. County Revenue Sharing		Gross	\$114,740,700	(\$14,740,700)
Reduces county revenue sharing payments by \$14.7 million Gross from FY 2010-11 appropriation for the 50 counties that will have exhausted reserve funds in FY 2011-12. Includes increase of \$10.6 million Gross for FY 2012-13.		Restricted	114,740,700	(14,740,700)

		<u>House Changes</u>		
<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>FY 2010-11 YTD (as of 2/17/11)</u>	<u>FY 2010-11 to FY 2011-12</u>	<u>FY 2011-12 to FY 2012-13</u>
MICHIGAN STRATEGIC FUND				
16. Michigan Strategic Fund Fund Source Adjustments				
Reduces by \$6.5 million Gross to reflect adjustments to various fund source revenue by aligning restricted fund sources with anticipated collections in those funds.	FTE	N/A	3.0	0.0
	Gross	N/A	(\$6,543,600)	\$0
	IDG/IDT	N/A	(\$50,000)	0
	Federal	N/A	(6,000,000)	0
	Private	N/A	(493,600)	0
17. Michigan Promotion Program				
Reflects \$5.4 million GF/GP reduction due to the elimination of the Michigan Promotion Program line-item. Executive changed program to Pure Michigan and funded with 21st Century Jobs Trust Fund (see below).	Gross	\$5,402,800	(\$5,402,800)	\$0
	GF/GP	\$5,402,800	(\$5,402,800)	\$0
18. 21st Century Jobs Trust Fund Programmatic Changes				
Reflects programmatic and funding changes for 21st Century Jobs Trust Fund appropriations. The following programs will be funded with the \$75.0 million 21st Century Jobs Trust Fund allocation:	Gross	\$75,000,000	\$0	\$0
	Restricted	75,000,000	0	0
<ul style="list-style-type: none"> • Pure Michigan: \$25.0 million Gross • Innovation and Entrepreneurship: \$25.0 million Gross • Business Attraction and Economic Gardening: \$25.0 million Gross 				
DEPARTMENTWIDE ADJUSTMENTS				
19. Early Retirement Savings				
Includes reduction of \$1.6 million GF/GP to reflect full-year savings anticipated as a result of the FY 2010-11 early retirement program. No changes recommended for FY 2012-13.	Gross	N/A	(\$1,565,400)	\$0
	GF/GP	N/A	(\$1,565,400)	\$0
20. Economics				
Reflects increased costs of \$10.4 million Gross and \$1.7 million GF/GP associated with employee benefit costs and other economic adjustments. Additional increase of \$6.9 million Gross and \$1.1 million GF/GP for FY 2012-13.	Gross	N/A	\$10,425,900	\$6,944,400
	IDG/IDT	N/A	264,200	0
	Federal	N/A	866,900	74,000
	Local	N/A	45,200	0
	Restricted	N/A	7,531,400	5,807,700
	GF/GP	N/A	\$1,718,200	\$1,062,700

Boilerplate Changes From FY 2010-11

NOTE: No boilerplate language is proposed for FY 2012-13.

Sec. 903(3). Tax Collection Contracts Report - DELETED

Requires report of agencies used for collection of accounts due to the state; amounts collected; cost of collection; and other information.

Sec. 905. Sale of Tax Manuals - DELETED

Requires Treasury to provide on their website and to sell copies of state tax manuals at a price not to exceed cost of printing; proceeds from sales are required to revert to Local Government Assistance Manual Revolving Fund.

Sec. 913(2). Senior Citizen Cooperative Housing Assessments Reporting - DELETED

Requires program audit and authorizes use of up to 1% of funds for these administration of program.

Sec. 917(2). Write-Offs and Advances Report - DELETED

Requires report stating amounts appropriated for write-offs and advances.

Sec. 919(2). Contracted Audit and Collection Services Report - DELETED

Requires report stating the amount collected, firms employed and costs of collection.

Sec. 922. Michigan Transportation Fund Report - DELETED

Requires Treasury to report on Michigan Transportation Fund revenue collected and costs of collection.

Sec. 930(2). Account Receivable Collection Services - DELETED

Requires stating the principal executive departments and state agencies served, funds collected, and costs of collection.

Boilerplate Changes From FY 2010-11

Sec. 931. Treasury Fees - REVISED

Appropriates individual components of Treasury fees assessed against all restricted funds, including new restricted funds, in current fiscal year; defines treasury fees.

Sec. 934. Expending of Authority Revenues - REVISED

Authorizes Treasury to expend revenues under various authorities for operation expense and grants to Civil Service Commission and State Employee's Retirement Fund; requires maintaining records to facilitate reimbursement. Removes maintenance of accounting records language.

Sec. 938. Payment in Lieu of Taxes (PILT) - DELETED

Specifies legislative intent that Department work with local units of government to improve the system for payments in lieu of taxes on purchased lands; requires report.

Sec. 939. Pension Fund Investments - DELETED

Specifies legislative intent that state treasurer consider investments in early stage, university-derived life science companies located in Michigan, or investments in venture capital funds that invest in those companies.

Sec. 942. Field Collection Report - DELETED

Requires Department to report on efficacy of increased personnel for filed collection (i.e. additional revenue collections as a result of additional field staff.)

Sec. 945. Assessment and Certification Division Reviews - REVISED

Requires assessment and certification division to conduct 14-point review in at least one assessment jurisdiction per county.

Sec. 948. Electronic Income Tax Filing Report - DELETED

Requires report on number of state income and single business tax returns filed on-line in preceding fiscal year.

Sec. 949. Beverage Container Redemption Antifraud Fund – DELETED

Requires that any funding for the beverage container redemption antifraud fund be used for the purposes described in the beverage 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

Specifies distribution of constitutional revenue sharing payments to cities, villages, and townships. Eliminates subsection outlining distribution of statutory revenue sharing payments due to elimination of statutory revenue sharing payments in FY 2011-12.

Sec. 951. Economic Vitality Incentive Program - NEW

Specifies distribution of \$200.0 million under new incentive program. Cities, villages, and townships that received a statutory revenue sharing payment in FY 2009-10 will be eligible for 62.96% of their FY 2009-10 statutory revenue sharing payment if certain criteria are met. Provides for redistribution of funds not distributed due to a failure to qualify. Provides \$5.0 million for assistance grants to cities, villages, townships, and counties that elect to merge government services.

LOTTERY

Sec. 964. Privatization Study - NEW

Requires Bureau of State Lottery to report on the feasibility of privatizing the administration of the state lottery.

CASINO GAMING

Sec. 973. Local Revenue Sharing Boards - REVISED

Authorizes using funds for local government programs to assist local revenue sharing boards; requires those boards to comply with Open Meetings and Freedom of Information acts; authorizes county treasurers to receive and administer revenue on behalf of boards; authorizes directors of State Police and Michigan Gaming Control Board to help local boards allocate funds to local public safety organizations; requires Treasury to report on revenue receipt and distribution. Includes new subsection requiring local revenue sharing boards to comply with all applicable provisions of any agreement authorized by the Indian Gaming Regulatory Act, including, but not limited to, provisions dealing with the disbursement of tribal casino payments received.

Sec. 979. Thoroughbred Purses - DELETED

Provides for the use of purse funds in the event that no live thoroughbred race meet is held in 2010 or 2011. Provides for funds to be escrowed and specifies purse pool distribution order.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

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

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 - DELETED

Requires the department and MSHDA to report on the status of loans entered into by the Michigan Broadband Development Authority.

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

Requires MSHDA to provide a report on the Cities of Promise Blight Elimination Program.

Boilerplate Changes From FY 2010-11

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

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 the status of those projects.

MICHIGAN STRATEGIC FUND

Sec. 1004. Travel Michigan Fees - DELETED

Authorizes Travel Michigan program to establish and collect fees to cover costs of promotional materials.

Sec. 1021. 21st Century Jobs Funds Spending Reauthorization - NEW

Provides for a continuation of authorization for 21st Century Jobs Trust funds authorized by PA 127 of 2007. Funds are made available until September 30, 2016 and work project will not exceed \$75.0 million.

Sec. 1024. Small Business Innovation Research/Small Business Technology Transfer Programs - DELETED

Allocates not less than \$1.4 million from 21st Century Jobs Fund to Michigan Small Business and Technology Development Centers to be used for matching grants for Small Business Innovation Research and Small Business Technology Transfer programs.

Sec. 1025. Michigan Aerospace Manufacturers Association Allocation - DELETED

Requires \$250,000 of 21st Century Jobs Fund 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. 1027. Lakeshore Advantage Project - DELETED

Allocates \$3.0 million from 21st Century Jobs Fund to Lakeshore Advantage Project.

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

Caps amount that can be awarded or committed to \$25.0 million during the first quarter of the fiscal year.

Sec. 1029. 21st Century Jobs Funds Spending Reauthorization - DELETED

Provides 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 - DELETED

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 Incubator Program - DELETED

Stipulates funding be awarded competitively to business incubators in ten counties or cities. Requires that \$1.3 million in 21st Century Jobs Trust Fund funding be used to fund business incubators.