

TOTAL GENERAL GOVERNMENT: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analysts: Robin R. Risko and Ben Gielczyk

	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
IDG/IDT	\$644,781,100	\$669,128,900	\$669,027,400	\$669,027,400	\$669,027,400	\$24,246,300	3.8
Federal	277,499,300	768,099,400	273,049,700	273,049,700	768,099,400	490,600,100	176.8
Local	3,434,400	7,989,300	3,555,800	3,555,800	7,989,300	4,554,900	132.6
Private	1,414,500	979,400	930,700	930,700	979,400	(435,100)	(30.8)
Restricted	1,804,038,200	1,723,308,800	1,734,148,000	1,719,647,900	1,726,410,300	(77,627,900)	(4.3)
GF/GP	590,492,600	751,458,700	674,509,500	672,565,900	724,736,300	134,243,700	22.7
Gross	\$3,321,660,100	\$3,920,964,500	\$3,355,221,100	\$3,338,777,400	\$3,897,242,100	\$575,582,000	17.3
FTEs	7,709.2	8,162.2	7,729.2	7,732.2	8,159.2	450.0	5.8

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526. (3) Figures do not reflect \$136.3 million GF/GP and \$30.0 million state restricted in one-time boilerplate appropriations contained in Sec. 1201 of the Conference Report.

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

GENERAL SECTIONS OF BOILERPLATE

Sec. 204. Civil Service 1% Charges - DELETED

Requires Civil Service Commission to bill departments at end of first fiscal quarter for 1% charge authorized by State Constitution; requires departments to pay billings by end of second fiscal quarter. House retains. Executive, Senate, and Conference delete.

Sec. 205. Hiring Freeze (Executive Branch Departments) - DELETED

Imposes hiring freeze on state classified civil service; authorizes Attorney General and Secretary of State to grant exceptions for their departments; authorizes state budget director to grant exceptions for all other Executive branch departments; requires quarterly reports on exceptions, to include justification for exceptions. Senate and House retain. Executive and Conference delete.

Sec. 206. Transparency Websites - NEW

Requires departments and agencies to maintain searchable websites accessible by the public at no cost that include expenditure data, data on payments made to vendors, and data on number of active employees, job specifications, and wage rates. Executive, Senate, and House do not include. Conference includes new language.

Sec. 207. Information Technology Work Project Accounts - NEW

Designates appropriations for information technology as work project accounts. Executive and Senate do not include. House and Conference include new language.

Sec. 211. Budget Stabilization Fund Pay-In - NEW

Appropriates \$255.8 million from GF/GP revenue into the Countercyclical Budget and Economic Stabilization Fund. Executive, Senate, and House do not include. Conference includes new language.

Sec. 212. Receipt and Retention of Required Reports - REVISED

Requires departments to receive and retain copies of all reports required in the bill; requires federal and state guidelines to be followed for short-term and long-term retention of records. Executive deletes. Senate retains. House and Conference add language authorizing departments to electronically retain copies of reports unless otherwise required by federal and state guidelines.

Boilerplate Changes From FY 2010-11

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

Limits out-of-state travel; requires annual report on all out-of-state travel funded with department appropriations. Executive deletes. Senate retains. House deletes annual report on all out-of-state travel funded with department appropriations, adds language authorizing State Budget Director to grant exceptions to allow travel, and adds monthly report on number of exceptions granted. Conference deletes annual report on all out-of-state travel funded with department appropriations and adds quarterly report on number of exceptions granted.

Sec. 220. Limitation on Administering a Committee - NEW

Prohibits funds from being used to administer a committee or to solicit or obtain contributions for a committee. ("Committee" is defined as a one which receives contributions or makes expenditures for the purpose of influencing or attempting to influence the action of voters.) Executive and House do not include. Senate and Conference include new language.

Sec. 227. Report on State Restricted Funds - NEW

Requires departments and agencies to report on state restricted fund balances, projected state restricted fund revenues, and state restricted fund expenditures. Executive, Senate, and House do not include. Conference includes new language.

Sec. 230. FTE Positions and Transparency Websites - DELETED

Requires departments and agencies to report on number of FTE positions in pay status by civil service classification; requires executive branch departments to develop, post, and maintain Internet sites showing all expenditures. Executive deletes. Senate retains. House retains but deletes reporting requirement. Conference deletes.

Sec. 231. Transparency Website Expenditure - DELETED

Prohibits departments from expending more than \$10,000 to implement transparency websites. Senate retains. Executive, House, and Conference delete.

One-Time Basis Only Boilerplate

Sec. 1201. One-time Basis Only Appropriations - NEW

Subsection (1) appropriates GF/GP revenue in FY 2012: \$1.25 million to DTMB for asbestos abatement in the former state police headquarters building; \$60.0 million to DTMB for other post-employment benefits; \$25.0 million to the Michigan Strategic Fund for film incentive program; and \$50.0 million to the Michigan Strategic Fund for business attraction and economic gardening. Subsection (2) appropriates sales tax revenue in FY 2012: \$15.0 million to Treasury for county revenue sharing; and \$15.0 million to Treasury for Economic Vitality Incentive Program. Executive, Senate, and House do not include. Conference includes new language.

FY 2012-2013 Anticipated Appropriations Boilerplate

Sec. 1301. FY 2012-13 Anticipated Appropriations - NEW

Specifies legislative intent that FY 2012-13 appropriations are anticipated to be the same as those for FY 2011-12, except where line items need to be adjusted for changes in caseloads, federal fund matching rates, economic factors, and/or available revenues. Executive and House include line item appropriations for FY 2012-13 so did not include language. Senate and Conference include new language.

DEPARTMENT OF ATTORNEY GENERAL: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Robin R. Risko

	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
IDG/IDT	\$21,300,300	\$21,885,400	\$21,885,400	\$21,885,400	\$21,885,400	\$585,100	2.8
Federal	8,565,700	8,848,800	8,848,800	8,848,800	8,848,800	283,100	3.3
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	14,987,700	15,489,100	15,489,100	15,489,100	15,489,100	501,400	3.3
GF/GP	28,559,400	28,117,600	28,117,600	28,117,600	28,367,600	(191,800)	(0.7)
Gross	\$73,413,100	\$74,340,900	\$74,340,900	\$74,340,900	\$74,590,900	\$1,177,800	1.6
FTEs	520.0	520.0	520.0	520.0	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) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526.

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		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
1. Operations Adjustment	Gross	N/A	\$107,600
Executive, Senate, and House include a GF/GP reduction of \$142,400. Conference includes a GF/GP reduction of \$142,400 and then includes an additional \$250,000, which was added as part of the target agreement.		GF/GP	\$107,600
2. Early Retirement Savings	Gross	N/A	(\$1,285,600)
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. Executive, Senate, House, and Conference concur.		GF/GP	(\$1,285,600)
3. SOCC Reduction	Gross	\$115,800	(\$3,300)
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. Executive, Senate, House, and Conference concur.		GF/GP	(\$3,300)
4. PACC Grant Award Reduction	Gross	\$325,000	(\$186,000)
Includes a reduction from the Michigan Justice Training Fund as a result of reduced training services being provided by the Prosecuting Attorneys Coordinating Council. Executive, Senate, House, and Conference concur.		IDG	(186,000)

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
5. State Claims Unit Reduction	Gross	\$1,417,100	(\$62,500)
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	1,417,100	(62,500)
6. Economics	Gross	N/A	\$2,607,600
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	N/A	833,600
	Federal	N/A	283,100
	Restricted	N/A	501,400
	GF/GP	N/A	\$989,500

Boilerplate Changes From FY 2010-11

None

DEPARTMENT OF CIVIL RIGHTS: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Robin R. Risko

	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	1,750,000	2,880,600	2,213,200	2,213,200	2,880,600	1,130,600	64.6
Local	0	0	0	0	0	0	0.0
Private	0	18,700	0	0	18,700	18,700	100.0
Restricted	53,000	151,900	58,500	58,500	151,900	98,900	186.6
GF/GP	10,975,700	10,479,000	9,827,300	9,666,000	10,679,000	(296,700)	(2.7)
Gross	\$12,778,700	\$13,530,200	\$12,099,000	\$11,937,700	\$13,730,200	\$951,500	7.4
FTEs	118.0	126.0	118.0	118.0	126.0	8.0	6.8

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526.

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.

Budget Changes From FY 2010-11 YTD Appropriations

		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
1. GF/GP Reductions	Gross	N/A	(\$833,200)
<u>Executive</u> , <u>Senate</u> , and <u>House</u> include a GF/GP reduction of \$1.0 million 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. <u>Conference</u> includes the GF/GP reduction of \$1.0 million and then includes an additional \$250,000, which was added as part of the target agreement.	GF/GP	N/A	(\$833,200)
2. 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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A	(\$608,000)
3. 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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Federal	850,000	463,200
	GF/GP	\$0	\$0
4. Transfer from DLARA to Civil Rights	FTEs	N/A	8.0
<u>Conference</u> reflects the transfer of FTE positions and funding associated with the Commission on Disability Concerns and the Hispanic/Latino Commission of Michigan from the Department of Licensing and Regulatory Affairs to the Department of Civil Rights pursuant to Executive Order 2011-4. <u>Executive</u> includes in revised Executive recommendation. <u>House</u> and <u>Senate</u> do not include.	Gross	N/A	\$1,431,300
	Federal	N/A	667,400
	Private	N/A	18,700
	Restricted	N/A	93,400
	GF/GP	N/A	\$651,800

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
5. Fund Source Shift	Gross	N/A	\$0
Increases state restricted funding and decreases GF/GP funding in order to more accurately reflect the financing of expenditures. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Restricted	N/A	5,500
	GF/GP	N/A	(\$5,500)
6. Economics	Gross	N/A	\$498,200
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A	\$498,200

Boilerplate Changes From FY 2010-11

Sec. 401. Private Contingency Funds – NEW

Appropriates up to \$500,000 in private contingency funds for the Department. Executive, Senate, House, and Conference include new subsection.

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. Executive and House add language authorizing funding to be used for staffing costs and delete reporting requirement. Senate and Conference add language authorizing funding to be used for staffing costs.

EXECUTIVE OFFICE: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Robin R. Risko

	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
IDG/IDT	\$0	\$0	\$0	\$0	\$0	\$0	0.0
Federal	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	0	0	0	0	0	0	0.0
GF/GP	4,630,800	4,399,200	4,399,200	4,399,200	4,399,200	(231,600)	(5.0)
Gross	\$4,630,800	\$4,399,200	\$4,399,200	\$4,399,200	\$4,399,200	(\$231,600)	(5.0)
FTEs	84.2	84.2	84.2	84.2	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) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526.

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.

		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
Budget Changes From FY 2010-11 YTD Appropriations			
1. GF/GP Reductions			
Reflects a savings to be achieved through administrative reductions. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross GF/GP	N/A N/A	(\$212,200) (\$212,200)
2. 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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross GF/GP	\$288,300 \$288,300	(\$19,400) (\$19,400)

Boilerplate Changes From FY 2010-11

There is no boilerplate for the Executive Office.

LEGISLATURE: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Robin R. Risko

IDG/IDT	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$0	0.0
Federal	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	400,000	400,000	400,000	400,000	400,000	0	0.0
Restricted	1,109,800	1,109,800	1,109,800	1,109,800	1,109,800	0	0.0
GF/GP	100,574,300	98,573,400	98,573,400	98,573,400	98,573,400	(2,000,900)	(2.0)
Gross	\$102,334,100	\$100,333,200	\$100,333,200	\$100,333,200	\$100,333,200	(\$2,000,900)	(2.0)
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) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526.

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.

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>	<u>FY 2010-11 Year-To-Date (as of 2/17/11)</u>	<u>Conference Change from Year-to-Date</u>
1. GF/GP Reductions	Gross	N/A
Reflects a savings to be achieved through administrative reductions. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A
		(\$2,000,900)
		(\$2,000,900)

Boilerplate Changes From FY 2010-11

None

***Please note: The Legislative Auditor General budget is rolled in with the Legislature budget in the Conference Report, but appears separate in this document.**

LEGISLATIVE AUDITOR GENERAL: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Robin R. Risko

IDG/IDT	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
	\$2,301,500	\$3,501,500	\$3,501,500	\$3,501,500	\$3,501,500	\$1,200,000	52.1
Federal	0	0	0	0	0	0	0.0
Local	0	0	0	0	0	0	0.0
Private	0	0	0	0	0	0	0.0
Restricted	1,539,900	1,539,900	1,539,900	1,539,900	1,539,900	0	0.0
GF/GP	11,155,000	10,597,000	10,597,000	10,597,000	10,597,000	(558,000)	(5.0)
Gross	\$14,996,400	\$15,638,400	\$15,638,400	\$15,638,400	\$15,638,400	\$642,000	4.3
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) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526.

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		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
1. GF/GP Reductions	Gross	N/A	(\$558,000)
Reflects a savings to be achieved through administrative reductions. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A	(\$558,000)
2. Fund Source Adjustment	Gross	\$958,600	\$1,700,000
Adjusts the budget to reflect the costs of conducting single audits in a line item appropriation. Prior to this, authorization was provided via boilerplate. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	958,600	1,700,000
3. Technical Adjustment	Gross	\$500,000	(\$500,000)
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	500,000	(500,000)

Boilerplate Changes From FY 2010-11

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. Executive, Senate, House, and Conference include new language.

Boilerplate Changes From FY 2010-11

Sec. 625. Appropriation of Unexpended FY 2010-11 GF/GP – NEW

Appropriates up to \$905,000 of unexpended FY 2010-11 GF/GP funding to be used to pay costs of economic increases; of the \$905,000, requires funding that is not used to pay costs of economic increases to lapse to the general fund. Executive does not include. House includes new section appropriating funding. Senate and Conference include new language.

DEPARTMENT OF STATE: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Ben Gielczyk

IDG/IDT	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$0	0.0
Federal	1,810,000	1,810,000	1,810,000	1,810,000	1,810,000	0	0.0
Local	0	0	0	0	0	0	0.0
Private	100	100	100	100	100	0	0.0
Restricted	177,799,500	178,788,700	178,788,700	178,788,700	178,788,700	989,200	0.6
GF/GP	13,910,800	11,286,200	11,286,200	11,286,200	11,286,200	(2,624,600)	(18.9)
Gross	\$213,520,400	\$211,885,000	\$211,885,000	\$211,885,000	\$211,885,000	(1,635,400)	(0.8)
FTEs	1,815.0	1,815.0	1,815.0	1,815.0	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) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526.

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.

Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
1. State Officers Compensation Commission Adjustment 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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	\$115,800	(\$3,300)
	GF/GP	\$115,800	(\$3,300)
2. Early Retirement Savings 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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	(\$621,300)
	GF/GP	N/A	(\$621,300)
3. General Fund Reduction Reduction of \$2.1 million Gross and GF/GP to be achieved through cost savings within the department. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	(\$2,100,000)
	GF/GP	N/A	(\$2,100,000)
4. Economic Adjustments Reflects increased costs of \$1.1 million Gross and \$100,000 GF/GP associated with employee benefit costs and other economic adjustments. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	\$1,089,200
	Restricted GF/GP	N/A N/A	989,200 \$100,000

Boilerplate Changes From FY 2010-11

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. Executive, Senate, House, and Conference delete.

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.) Senate retains. Executive, House, and Conference delete.

Sec. 716c. Network Connectivity - DELETED

Requires a report that includes as assessment of the optimal network connectivity in branch offices and makes recommendations on how to best meet the demands of increased online transactions. Executive, Senate, House, and Conference delete.

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

Encourages DOS to locate branch offices in urban areas rather than greenfield sites. Executive, Senate, House, and Conference delete.

TECHNOLOGY, MANAGEMENT, AND BUDGET: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Robin R. Risko

IDG/IDT	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
	\$586,552,900	\$609,070,400	\$608,968,900	\$608,968,900	\$608,968,900	\$22,416,000	3.8
Federal	2,682,000	10,346,000	2,803,400	2,803,400	10,346,000	7,664,000	285.8
Local	1,380,400	1,456,600	1,456,600	1,456,600	1,456,600	76,200	5.5
Private	170,800	180,600	180,600	180,600	180,600	9,800	5.7
Restricted	83,827,300	85,272,900	85,374,400	85,374,400	85,374,400	1,547,100	1.8
GF/GP	299,748,800	313,357,800	308,357,800	307,513,400	310,857,800	11,109,000	3.7
Gross	\$974,362,200	\$1,019,684,300	\$1,007,141,700	\$1,006,297,300	\$1,017,184,300	\$42,822,100	4.4
FTEs	2,972.5	3,038.5	2,986.5	2,986.5	3,038.5	66.0	2.2

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526. (3) Figures do not reflect \$61.3 million GF/GP in one-time boilerplate appropriations contained in Sec. 1201 of the Conference Report.

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.

Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
MANAGEMENT AND BUDGET			
1. SBA Rent Increase			
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	\$241,870,600	\$15,000,000
	GF/GP	\$241,870,600	\$15,000,000
2. Transfer from DLARA to DTMB			
Conference reflects the transfer of FTE positions and funding associated with the Bureau of Labor Market Information and Strategies from the Department of Licensing and Regulatory Affairs to the Department of Technology, Management, and Budget pursuant to Executive Order 2011-4. <u>Executive</u> includes in revised Executive recommendation. <u>House</u> and <u>Senate</u> do not include.	FTEs	N/A	52.0
	Gross	N/A	\$7,542,600
	Federal	N/A	7,542,600
3. Management and Budget GF/GP Reductions			
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	(\$3,137,400)
	IDG	N/A	(612,300)
	Rest	N/A	(732,600)
	GF/GP	N/A	(\$1,792,500)

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>FY 2010-11 Year-To-Date (as of 2/17/11)</u>	<u>Conference Change from Year-to-Date</u>
4. Management and Budget Early Retirement Savings	Gross	N/A	(\$1,529,300)
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A	(\$1,529,300)
5. Gubernatorial Transition	Gross	\$1,500,000	(\$1,500,000)
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	\$1,500,000	(\$1,500,000)
6. IT Innovations Fund - State Agency Reforms	Gross	N/A	\$2,500,000
<u>Conference</u> includes funding for a new Information Technology Innovations Fund. The fund will be used to competitively select and invest in high-priority, low-cost state agency innovation projects which demonstrate significant return on investment. <u>Executive</u> includes \$5.0 million. <u>House</u> and <u>Senate</u> do not include.	GF/GP	N/A	\$2,500,000
7. DMB/DIT Consolidation	FTE	N/A	39.0
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	\$1,400,000
	IDG	N/A	1,400,000
8. Accounting Service Consolidation	FTE	N/A	14.0
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	\$1,593,200
	IDG	N/A	1,593,200
9. Building Operations Reductions	Gross	\$88,347,300	(\$1,250,000)
Reflects a savings from reorganizing and restructuring building operations staff and not filling vacant positions. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	88,347,300	(1,250,000)
10. Eliminate Professional Development Funds	Gross	\$225,000	(\$225,000)
Reflects a savings due to elimination of professional development funds for the AFSCME and MPE-SEIU bargaining units. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	225,000	(225,000)
11. SWCAP-related Fund Source Shifts	Gross	N/A	\$0
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	N/A	101,100
	Rest	N/A	293,600
	GF/GP	N/A	(\$394,700)
12. Fund Source and Technical Adjustments	Gross	N/A	(\$1,100)
Adjusts fund sources and makes technical adjustments to reflect where expenditures are anticipated to occur. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	N/A	(41,800)
	Rest	N/A	(9,500)
	GF/GP	N/A	\$50,200
13. Management and Budget Economics	Gross	N/A	\$3,175,100
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	N/A	1,340,900
	Fed	N/A	0
	Local	N/A	0
	Private	N/A	0
	Rest	N/A	730,100
	GF/GP	N/A	\$1,104,100

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>FY 2010-11 Year-To-Date (as of 2/17/11)</u>	<u>Conference Change from Year-to-Date</u>
TECHNOLOGY SERVICES	Gross	\$415,136,100	\$7,907,900
14. <i>Align IDGs with FY 2011 Enacted</i>	IDG	415,136,100	7,907,900
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 			
<u>Executive, Senate, House, and Conference</u> concur.			
15. <i>Program Enhancements</i>	Gross	\$415,136,100	\$14,234,900
Makes the following adjustments to reflect appropriations for program enhancements made in other state department budgets:	IDG	415,136,100	14,234,900
<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 			
<u>Executive, Senate, House, and Conference</u> concur.			
16. <i>Eliminate Program Funding</i>	Gross	\$415,136,100	(\$656,000)
Reflects elimination of funding in various department budgets for programs no longer needing funding:	IDG	415,136,100	(656,000)
<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 			
<u>Executive, Senate, House, and Conference</u> concur.			
17. <i>Technology Services Early Retirement Savings</i>	Gross	N/A	(\$2,795,500)
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. <u>Executive, Senate, House, and Conference</u> concur.	IDG	N/A	(2,795,500)
18. <i>DMB/DIT Consolidation</i>	FTE	N/A	(39.0)
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. <u>Executive, Senate, House, and Conference</u> concur.	Gross	N/A	(\$1,431,100)
	IDG	N/A	(1,431,100)
19. <i>Technology Services Budget Reductions</i>	Gross	N/A	(\$1,256,900)
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)
<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 			
<u>Executive, Senate, House, and Conference</u> concur.			
20. <i>Fund Source Adjustments</i>	Gross	N/A	(\$1,500,400)
Aligns fund sources to reflect funding actually received:	IDG	N/A	(1,500,400)
<ul style="list-style-type: none"> Agriculture - \$160,000 DNR - \$32,100 DSP - \$1.3 million 			
<u>Executive, Senate, House, and Conference</u> concur.			

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		<u>FY 2010-11 Year-To-Date (as of 2/17/11)</u>	<u>Conference Change from Year-to-Date</u>
21. Technology Services Economics	Gross	N/A	\$5,477,600
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	N/A	5,477,600
CIVIL SERVICE COMMISSION	Gross	N/A	(\$2,000,000)
22. Civil Service Commission GF/GP Reductions	GF/GP	N/A	(\$2,000,000)
Reflects a savings to be achieved by not filling vacant positions. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.			
23. Civil Service Commission Early Retirement Savings	Gross	N/A	(\$1,616,400)
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A	(\$1,616,400)
24. Human Resources Consolidation	Gross	N/A	\$277,800
Includes funding from the Department of Corrections for FTE positions that were transferred as a result of human resources consolidation efforts. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A	\$277,800
25. Civil Service Commission Economics	Gross	N/A	\$2,612,100
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG	N/A	129,400
	Federal	N/A	121,400
	Local	N/A	76,200
	Private	N/A	9,800
	Restricted	N/A	1,265,500
	GF/GP	N/A	\$1,009,800

Boilerplate Changes From FY 2010-11

MANAGEMENT AND BUDGET

Sec. 802. Appropriation of Proceeds From Auctions of State Surplus – REVISED

Appropriates proceeds, in excess of costs incurred to conduct transfers or auctions of state surplus, salvage, or scrap property, to offset costs incurred in acquiring and distributing federal surplus property. Executive and House retain. Senate and Conference add language requiring DTMB to provide consolidated Internet auction services through the state's contractors for all local units of government.

Sec. 803. Statewide Administrative and Support Services – REVISED

Authorizes DTMB to receive and expend funds for maintenance, operation, real estate, architectural, engineering, mail pickup and delivery, and purchasing services provided to other departments and Legislative and Judicial branches. Executive and House retain. Senate adds language prohibiting DTMB from spending more than \$1.0 million annually on the purchase of new furniture and requiring DTMB to purchase remanufactured or refurbished furniture. Conference adds language prohibiting DTMB from expending funds for the purchase of new office furniture without first examining the possibility of using existing inventory that can be reused or refurbished.

Sec. 813. Motor Vehicle Fleet – REVISED

Specifies purpose of motor vehicle fleet (MVF) appropriation; requires appropriation to be funded by revenue from rates charged to departments for using vehicle travel services; authorizes department to determine appropriateness of vehicle assignment; authorizes excess revenue to be carried forward to Motor Transport Fund; requires MVF operation plan; specifies data required; authorizes plan adjustment to achieve maximum value and efficiency; requires plan and changes to be reported within 60 days after year end; authorizes DTMB to charge state agencies for fuel costs exceeding \$2.27 per gallon of unleaded gasoline. Executive deletes. House retains and adds language requiring DTMB to use remanufactured parts when repairing fleet vehicles if economically feasible. Senate and Conference add language specifying it is the intent of the Legislature that DTMB, when economically feasible, will prioritize the utilization of remanufactured parts when maintaining and repairing the state's vehicle fleet, and exempts state police fleet.

Sec. 814. Purchasing From Michigan-Based Firms – DELETED

Requires DTMB to adopt policies and procedures necessary to provide a purchasing preference for products manufactured or services offered by Michigan-based firms. House retains. Executive, Senate, and Conference delete.

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. Senate retains. Executive, House, and Conference delete.

Boilerplate Changes From FY 2010-11

Sec. 816. Vendor Disclosure (Information to Collect) – DELETED

Lists information DTMB is required to collect from vendors to ensure compliance with procuring goods and services from Michigan-based providers. House retains. Executive, Senate, and Conference delete.

Sec. 822a. Report on Privatization of Lottery – NEW

Requires DTMB to submit a report on the feasibility of privatizing the administration of the state lottery. Executive does not include. House includes new language requiring the Bureau of State Lottery to submit the same report. Senate and Conference include new language.

TECHNOLOGY SERVICES

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

Requires report on change orders and contract extensions for contracts greater than \$25,000 entered into by DTMB. Executive does not include. Senate retains. House and Conference retain but change dollar amount to \$50,000.

CIVIL SERVICE COMMISSION

Sec. 853. Office of Great Workplace Development – DELETED

Prohibits appropriations from being used for funding Office of Great Workplace Development. House retains. Executive, Senate, and Conference delete.

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. Executive, Senate, House, and Conference delete.

DEPARTMENT OF TREASURY: FY 2011-12
Summary: Conference Report
Senate Bill 177 (S-1) CR-1



Analyst: Ben Gielczyk

IDG/IDT	FY 2010-11 YTD as of 2/17/11	FY 2011-12 Rev. Executive	FY 2011-12 Senate	FY 2011-12 House	FY 2011-12 Conference	Difference: Conference From FY 2010-11 YTD	
						Amount	%
	\$14,376,400	\$14,421,600	\$14,421,600	\$14,421,600	\$14,421,600	\$45,200	0.3
Federal	262,691,600	744,214,000	257,374,300	257,374,300	744,214,000	481,522,400	183.3
Local	2,054,000	6,532,700	2,099,200	2,099,200	6,532,700	4,478,700	218.0
Private	843,600	380,000	350,000	350,000	380,000	(463,600)	(54.9)
Restricted	1,524,721,000	1,440,956,500	1,451,787,500	1,437,287,500	1,443,956,500	(80,764,500)	(5.3)
GF/GP	120,937,800	274,648,500	203,351,100	202,413,100	249,976,100	129,038,300	106.7
Gross	\$1,925,624,400	\$2,481,153,300	\$1,929,383,700	\$1,913,945,700	\$2,459,480,900	\$533,856,500	27.7
FTEs	2,199.5	2,578.5	2,205.5	2,208.5	2,575.5	376.0	17.1

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) House-passed appropriation amounts are based on the General Government article contained in House Bill 4526. (3) Figures do not reflect \$75.0 million GF/GP and \$30.0 million sales tax revenue in one-time boilerplate appropriations contained in Sec. 1201 of conference report.

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 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
1. 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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	\$57,632,800	\$83,295,200
	GF/GP	\$42,118,300	\$83,295,200
2. Presidential Primary Costs Includes \$10.0 million GF/GP for anticipated costs associated with the next presidential primary. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	\$10,000,000
	GF/GP	N/A	\$10,000,000
3. Payment in Lieu of Taxes Reflects 15.0% reduction in payment in lieu of taxes (PILT) to local governments as recommended by Executive. <u>House</u> included additional \$239,000 reduction. Gross figure includes additional \$513,000 Restricted fund reduction to reflect current year reduction to general fund. <u>Executive</u> , <u>Senate</u> , and <u>Conference</u> concur with Executive Recommendation reduction.	Gross	\$12,956,400	(\$2,379,400)
	Restricted GF/GP	2,450,000 \$10,506,400	(803,400) (\$1,576,000)
4. Land Bank Fast Track Authority Revolving Fund Loan Includes \$1.0 million Federal from the USA Environmental Protection Agency Revolving Loan Fund for cleanup activities at eligible Brownfield sites. Line item was moved to Michigan Strategic Fund under Executive Budget Revision implementing Executive Order 2011-4. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	Gross	N/A	\$1,000,000
	Federal	N/A	1,000,000

Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
5. Unclaimed Property Legislation Costs		FTE	N/A
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		Gross	N/A
		Restricted	N/A
6. Senior Citizen Cooperative Housing		Gross	\$14,520,000
Reduces funding by \$2.5 million GF/GP to reflect required scheduled payment amount. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		GF/GP	\$14,520,000
7. Department General Fund Reduction		Gross	N/A
Reflects 3.0% across-the-board reduction to Department of Treasury administrative functions. Reduction totals \$905,500 GF/GP. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		GF/GP	N/A
8. Business Property Tax Appeal		Gross	\$900,000
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		GF/GP	\$900,000
9. Fund Source Shifts		Gross	N/A
Reflects \$1.4 million in fund source shifts from various fund sources to state restricted funds. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		IDG/IDT	N/A
		Federal	N/A
		Restricted	N/A
10. Tobacco Tax Enforcement		Gross	N/A
<u>Conference</u> includes \$3.0 million in restricted funds for enhanced tobacco tax enforcement. <u>Senate</u> included \$4.5 million. <u>Executive</u> and <u>House</u> did not include.		Restricted	N/A
11. Tax Plan Implementation		Gross	N/A
Conference included an additional \$5.3 million for the costs associated with implementing the new business and income tax plan. <u>Executive</u> , <u>Senate</u> , and <u>House</u> did not include.		GF/GP	N/A
CASINO GAMING			
12. Michigan Gaming Control Board Auditor		FTE	N/A
Includes \$90,200 Gross and 1.0 FTE to staff one new auditor required for audits for recently opened tribal casinos. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Executive</u> concur.		Gross	N/A
		Restricted	N/A
REVENUE SHARING			
13. Constitutional Revenue Sharing		Gross	\$633,481,800
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		Restricted	633,481,800
14. Economic Vitality Incentive Program		Gross	\$307,061,700
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. \$15.0 million in one-time funding is also appropriated in boilerplate Sec. 1201(2) that is not included in line-item appropriation. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		Restricted	307,061,700
15. County Revenue Sharing		Gross	\$114,740,700
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. An additional \$15.0 million is appropriated in boilerplate Sec. 1201(2) that is not included in line-item appropriation. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		Restricted	114,740,700
MICHIGAN STRATEGIC FUND			
16. Michigan Strategic Fund Fund Source Adjustments		Gross	N/A
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.		IDG/IDT	N/A
		Federal	N/A
		Private	N/A

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		FY 2010-11 Year-To-Date (as of 2/17/11)	Conference Change from Year-to-Date
17. Michigan Promotion Program	Gross	\$5,402,800	(\$5,402,800)
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). <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	\$5,402,800	(\$5,402,800)
18. 21st Century Jobs Trust Fund Programmatic Changes	Gross	\$75,000,000	\$0
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:	Restricted	75,000,000	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 <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.			
19. Business Attraction and Economic Gardening	Gross	N/A	\$25,000,000
Conference includes additional \$25.0 million in GF/GP. These funds are in addition to the \$25.0 million appropriated to the program from the 21st Century Jobs Fund. Note: there is an additional \$50.0 million in one-time appropriations to this purpose in section 1201(1). <u>Executive</u> concurred. <u>House</u> and <u>Senate</u> did not include.	GF/GP	N/A	\$25,000,000
20. Executive Order 2011-4 Adjustments	FTE	N/A	370.0
Conference includes adjustments associated with revisions made under Executive Order 2011-4. In general, former DELEG (now LARA) workforce programs, adult education, and Bureau of Energy Systems funding was moved to the Michigan Strategic Fund. <u>Executive</u> had included in Executive revisions. <u>House</u> and <u>Senate</u> did not include.	Gross	N/A	\$511,219,200
	Federal	N/A	486,839,700
	Local	N/A	4,433,500
	Private	N/A	30,000
	Restricted	N/A	3,669,000
	GF/GP	N/A	16,247,000
DEPARTMENTWIDE ADJUSTMENTS			
21. Early Retirement Savings	Gross	N/A	(\$1,565,400)
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. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	GF/GP	N/A	(\$1,565,400)
22. Economics	Gross	N/A	\$10,425,900
Reflects increased costs of \$10.4 million Gross and \$1.7 million GF/GP associated with employee benefit costs and other economic adjustments. <u>Executive</u> , <u>Senate</u> , <u>House</u> , and <u>Conference</u> concur.	IDG/IDT	N/A	264,200
	Federal	N/A	866,900
	Local	N/A	45,200
	Restricted	N/A	7,531,400
	GF/GP	N/A	\$1,718,200

Boilerplate Changes From FY 2010-11

Sec. 902a. Notification of Bond Refinancing or Restructuring - NEW

Requires Department of Treasury to report, within 30 days of a new refinancing or restructuring bond sale, on the annual debt service changes, change in principal and interest over the duration of the debt, and the projected change in present value of the debt service due to the refinancing. Executive and House did not include. Senate and Conference include as new language. Conference changed reporting requirement to 30 days after the bond issue.

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. Executive, Senate, House, and Conference delete section.

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

Requires program audit and authorizes use of up to 1% of funds for these administration of program. Revised with permissive language. Executive and House deleted subsection. Senate and Conference retain and revise.

Boilerplate Changes From FY 2010-11

Sec. 922. Michigan Transportation Fund Report - REVISED

Requires Treasury to report on Michigan Transportation Fund revenue collected and costs of collection. Revised to permit cost of collection to be determined by proration for FY 2011-12 only. Required analysis by April 1, 2012 of the actual costs of tax administration in order to justify continuation of the proration approach. Executive and House deleted section. Senate and Conference retain and revise.

Sec. 925. Public Private Partnership Investment Fund - REVISED

Creates fund and gives examples of investments. Permits balance remaining to carry forward. Contains reporting requirement. Executive revised to eliminate prohibition on the use of funds for DRIC. House retained current-year language. Senate and Conference revised to prohibit use of funds for DRIC or any successor project unless approved by legislature. Revision also added (6) which required the department to monitor the revenue deposited in the public-private partnership investment fund.

Sec. 925a. Detroit River International Crossing - REVISED

Prohibits use of funds appropriated in part 1 to support DRIC. Executive deleted. House retained current-year language. Senate and Conference revised to include prohibition for any successor project to DRIC unless approved by legislature.

Sec. 926. John R. Justice Grant Program - REVISED

Designates unexpended appropriations for John R. Justice grant program as a work project with a completion date of September 30, 2012. Executive and House retained current-year language. Senate and Conference revise to change year to 2013.

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. Executive deleted (2) report. House revised report date to June 30, 2012. Senate and Conference revised report date to January 31, 2012 for the prior fiscal year.

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. Executive, Senate, House, and Conference delete section.

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. Executive, Senate, House, and Conference delete section.

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.) Senate revised to have report due November 30. Executive, House, and Conference delete section.

Sec. 943. Tobacco Tax Enforcement - NEW

Directs the use of funds appropriated in part 1 for the costs associated with a new stamp indicia, reimbursement to licensed tax stamp agents for costs associated with the new stamp, to include machines acceptable to licensed tax stamp agents and Department of Treasury and scanners. Requires report. Executive and House did not include. Senate and Conference included as new section. Conference added reporting requirement.

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. Executive and Senate did not include. House and Conference retain and revise language to say "shall" instead of "may".

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. Executive, Senate, House, and Conference delete section.

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. Executive, Senate, House, and Conference delete section.

Sec. 950. Revenue Sharing - REVISED

Specifies distribution of constitutional revenue sharing payments to cities, villages, and townships. Executive, Senate, House, and Conference delete 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 funding under new incentive program. CVTs that received more than \$4,500 in FY 2009-10 statutory revenue sharing will be eligible to receive up to 67.837363% of their FY 2009-10 statutory revenue sharing payment. Funding includes appropriations in Sec. 1201(2). Provides \$5.0 million for assistance grants to cities, villages, townships, and counties that elect to merge government services. Executive, Senate, and House provided individual distribution plans. Conference included new revised EVIP language.

Boilerplate Changes From FY 2010-11

Sec. 955. County Revenue Sharing - REVISED

Requires county revenue sharing appropriation to be distributed by the department to eligible counties according to the Glen Steil State Revenue Sharing Act of 1971. Executive, Senate, and House retained current-year. Conference revised to add reference to appropriations in Sec. 1201(2).

LOTTERY

Sec. 961. Prohibition of Marketing to Under 18 - DELETED

Prohibits the Bureau of State Lottery from marketing to any individual under the age of 18. House retained. Executive, Senate, and Conference delete section.

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. Executive, Senate, House, and Conference concur on revised language.

Sec. 976. Horse Racing Rewards - REVISED

Allows the racing commissioner to pay rewards of not more than \$5,800 to someone providing information resulting in the arrest and conviction for a crime involving the horse racing industry. Executive and House retain current-year language. Senate and Conference revise to update references to racing commissioner and reduce amount of award to \$5,000.

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. Senate retained and revised years. Executive, House, and Conference delete section.

MICHIGAN STRATEGIC FUND - MICHIGAN STATE HOUSING 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. Executive, Senate, House, and Conference delete section.

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. Executive, Senate, House, and Conference delete section.

MICHIGAN STRATEGIC FUND

Sec. 1003. Michigan Growth Capital Fund - DELETED

Requires Michigan Growth Capital Fund to be used to develop the technology business sector in Michigan. House retains. Executive, Senate, and Conference delete section.

Sec. 1004. Travel Michigan Fees - DELETED

Authorizes Travel Michigan program to establish and collect fees to cover costs of promotional materials. Senate retained. Executive, House, and Conference delete section.

Sec. 1007. Report on MEDC Programs - REVISED

Requires report on activities of each program administered by MSF or MEDC, including spending and FTEs; requires report on tourism promotion and business marketing expenditures and revenues by source. Executive deleted. Senate retained current-year language. House revised to eliminate report on EDJT and Renaissance Zones. Conference revised to delete reference to EDJT.

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. Executive and House included as new section. Senate did not include. Conference included as new section with amount changed to \$5.5 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. Senate revised. Executive, House, and Conference delete section.

Sec. 1024. Business Attraction and Economic Gardening - NEW

Requires that not less than \$20.0 million of the funds appropriated in part 1 and Sec. 1201(1) be used for brownfield redevelopment incentives and historic preservation incentives. Executive and Senate did not include. House and Conference include as new section. Conference revised 85% in House language to say not less than \$20.0 million.

Boilerplate Changes From FY 2010-11

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. Executive, Senate, House, and Conference delete section.

Sec. 1027. Lakeshore Advantage Project - DELETED

Allocates \$3.0 million from 21st Century Jobs Fund to Lakeshore Advantage Project. Executive, Senate, House, and Conference delete section.

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. Executive, Senate, House, and Conference delete section.

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. Executive, Senate, House, and Conference delete section.

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. Executive, Senate, House, and Conference delete section.

Sec. 1031. Spending Plan Report - NEW

Requires MSF to report by April 15, 2012 on the spending plan for the line items for innovation and entrepreneurship and business attraction and economic gardening. Executive and House did not include. Senate and Conference include as new section.

Sec. 1033. Michigan Film Office Minutes - DELETED

Require film office to make minutes of the Michigan Film Office Advisory Council available to the public. House retained. Executive, Senate, and Conference delete section.

Sec. 1034. Business Incubator Program - REVISED

Stipulates funding be awarded competitively to business incubators in ten counties or cities. Executive and House delete section. Senate and Conference revised language. Conference language lists 7 business incubators that shall receive awards ranging from \$500,000 to \$2.0 million. Requires dashboard of indicators.

MICHIGAN STRATEGIC FUND - CAREER EDUCATION

Sec. 1050. Activities Classification Structure Data Book - NEW

Requires MSF to publish the "activities classification structure data book" for Michigan community colleges. Executive included in Executive revision. Senate and House did not include. Conference included as new section.

Sec. 1051. Indian Tuition Waivers - NEW

Requires MSF to submit the compilation of the number of waivers granted. Executive included in Executive revision. Senate and House did not include. Conference included as new section.

Sec. 1052. Associate Degrees Awarded - NEW

Requires MSF to compile information from community colleges on the number of associates degrees and other certificates awarded during the previous fiscal year. Executive included in Executive revision. Senate and House did not include. Conference included as new section.

Sec. 1053. Precollege Engineering Program - NEW

Requires MSF to appropriate \$680,100 to Detroit precollege engineering program and Grand Rapids area precollege engineering program. Executive, Senate, and House did not include. Conference included as new section.

Sec. 1054. WIA Youth Grant Program - NEW

Allows MSF to provide grants to non-profit organizations that offer programs to WIA-eligible youth focusing on entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Executive, Senate, and House did not include. Conference included as new section.

MICHIGAN STRATEGIC FUND - WORKFORCE DEVELOPMENT

Sec. 1060. JET Program Guidelines - NEW

Establishes guidelines for administering Jobs, Education, and Training (JET) program, including work participation requirements for welfare recipients enrolled in program by referencing applicable federal and state laws. Executive included in Executive revision. Senate, and House did not include. Conference included as new section.

Sec. 1061. Workforce Development Boards - NEW

Requires local workforce development boards to maintain partnerships with governmental agencies, schools, and colleges located within their service delivery areas; specifies membership of education advisory groups. Executive, Senate, and House did not include. Conference included as a new section.

Boilerplate Changes From FY 2010-11

Sec. 1062. Disabled Veterans Outreach Program - NEW

Stipulates staffing levels for disabled veterans outreach program specialists and local veterans employment representatives to assist veterans with Michigan Works! Employment service centers. States that placement of veterans and disabled veterans a priority. Executive, Senate, and House did not include. Conference included as new section.

Sec. 1063. Appropriation of Unexpended Workforce Training Funds - NEW

Permits appropriation of unencumbered/unexpended Workforce Investment Act and Trade Adjustment Assistance funds from prior years, requires report to the Legislature on such appropriations. Executive included in Executive revision but deleted report. Senate and House did not include. Conference included as new section.

Sec. 1064. Workforce Training Funds Allocation - NEW

Allocates \$100,000 to an existing employee-led public/private workforce development program meeting certain criteria and \$100,000 to an existing workforce development program operated collaboratively with local businesses and educational institutions meeting certain criteria. Executive, Senate, and House did not include. Conference included as new section.

Sec. 1065. Workforce Funds for Libraries - NEW

Provides that funds distributed to local Michigan Works! Agencies may be used by the MWAs for services provided at local libraries that serve as access points, service centers, or local partners serving high demand or underserved areas. Executive, Senate, and House did not include. Conference included as new section.

Sec. 1066. Gang Diversion Program - NEW

Indicates intent that a portion of the WIA, statewide activities funds be allocated to support coordinated efforts between local Michigan Works! agencies and police and sheriff departments to create programs that offer gang diversion activities. Executive, Senate, and House did not include. Conference included as new section.

Sec. 1068. No Worker Left Behind Report - NEW

Requires MEDC to submit a report on the status of the No Worker Left Behind program. Executive, Senate, and House did not include. Conference included as new section.

Sec. 1101. Fund Balances and Estimated Revenues - REVISED

States estimated revenue by operating fund. Executive, Senate, House, and Conference concur on revision.