

**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	%
<b>IDG/IDT</b>	\$644,781,100	\$669,128,900	\$24,347,800	3.8	\$672,284,600	\$3,155,700	0.5
<b>Federal</b>	277,499,300	273,049,700	(4,449,600)	(1.6)	273,736,300	686,600	0.3
<b>Local</b>	3,434,400	3,555,800	121,400	3.5	3,604,000	48,200	1.4
<b>Private</b>	1,414,500	930,700	(483,800)	(34.2)	936,900	6,200	0.7
<b>Restricted</b>	1,804,038,200	1,719,546,400	(84,491,800)	(4.7)	1,765,381,500	45,835,100	2.7
<b>GF/GP</b>	590,492,600	672,565,900	82,073,300	13.9	677,258,200	4,692,300	0.7
<b>Gross</b>	<b>\$3,321,660,100</b>	<b>\$3,338,777,400</b>	<b>\$17,117,300</b>	<b>0.5</b>	<b>\$3,393,201,500</b>	<b>\$54,424,100</b>	<b>1.6</b>
<b>FTEs</b>	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  
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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	%
<b>IDG/IDT</b>	\$21,300,300	\$21,885,400	\$585,100	2.7	\$22,539,600	\$654,200	3.0
<b>Federal</b>	8,565,700	8,848,800	283,100	3.3	9,073,800	225,000	2.5
<b>Local</b>	0	0	0	0.0	0	0	0.0
<b>Private</b>	0	0	0	0.0	0	0	0.0
<b>Restricted</b>	14,987,700	15,489,100	501,400	3.3	15,879,700	390,600	2.5
<b>GF/GP</b>	28,559,400	28,117,600	(441,800)	(1.5)	28,828,100	710,500	2.5
<b>Gross</b>	<b>\$73,413,100</b>	<b>\$74,340,900</b>	<b>\$927,800</b>	<b>1.3</b>	<b>\$76,321,200</b>	<b>\$1,980,300</b>	<b>2.7</b>
<b>FTEs</b>	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.

<b>Budget Changes From FY 2010-11 YTD Appropriations</b>	<b>House Changes</b>		
	<b>FY 2010-11 YTD (as of 2/17/11)</b>	<b>FY 2010-11 to FY 2011-12</b>	<b>FY 2011-12 to FY 2012-13</b>
<b>1. Line Item Roll-Ups</b> Current year budget contains 6 line items. Executive budget contains 2 line items. House budget contains 5 line items.			
<b>2. GF/GP Reductions</b> Reflects a savings to be achieved by not filling vacant positions and through attrition.	<b>Gross</b> GF/GP	<b>N/A</b> N/A	<b>(\$142,400)</b> (\$142,400)
<b>3. Early Retirement Savings</b> 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.	<b>Gross</b> GF/GP	<b>N/A</b> N/A	<b>(\$1,285,600)</b> (\$1,285,600)
<b>4. SOCC Reduction</b> 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.	<b>Gross</b> GF/GP	<b>\$115,800</b> \$115,800	<b>(\$3,300)</b> (\$3,300)
<b>5. PACC Grant Award Reduction</b> Includes a reduction from the Michigan Justice Training Fund as a result of reduced training services being provided by the Prosecuting Attorneys Coordinating Council.	<b>Gross</b> IDG	<b>\$325,000</b> 325,000	<b>(\$186,000)</b> (186,000)
			<b>\$0</b> \$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>
<b>6. State Claims Unit Reduction</b>	<b>Gross</b>	<b>\$1,417,100</b>	<b>(\$62,500)</b>	<b>\$0</b>
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
<b>7. Economics</b>	<b>Gross</b>	<b>N/A</b>	<b>\$2,607,600</b>	<b>\$1,980,300</b>
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  
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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	%
<b>IDG/IDT</b>	\$0	\$0	\$0	0.0	\$0	\$0	0.0
<b>Federal</b>	1,750,000	2,213,200	463,200	26.5	2,269,700	56,500	2.6
<b>Local</b>	0	0	0	0.0	0	0	0.0
<b>Private</b>	0	0	0	0.0	0	0	0.0
<b>Restricted</b>	53,000	58,500	5,500	10.4	58,500	0	0.0
<b>GF/GP</b>	10,975,700	9,666,000	(1,309,700)	(11.9)	9,934,900	268,900	2.8
<b>Gross</b>	<b>\$12,778,700</b>	<b>\$11,937,700</b>	<b>(\$841,000)</b>	<b>(6.6)</b>	<b>\$12,263,100</b>	<b>\$325,400</b>	<b>2.7</b>
<b>FTEs</b>	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
<b>Budget Changes From FY 2010-11 YTD Appropriations</b>			
<b>1. Line Item Roll-Ups</b>			
Current year budget contains 3 line items. Executive budget contains 1 line item. House budget contains 3 line items.			
<b>2. GF/GP Reductions</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$1,033,200)</b>
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)
<b>3. Early Retirement Savings</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$608,000)</b>
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)
<b>4. Increased Federal Grant Funding</b>	<b>Gross</b>	<b>\$850,000</b>	<b>\$463,200</b>
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
			\$56,500
			(\$56,500)

		<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>
<b><u>Budget Changes From FY 2010-11 YTD Appropriations</u></b>				
<b>5. Fund Source Shift</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>	<b>\$0</b>
Increases state restricted funding and decreases GF/GP funding in order to more accurately reflect the financing of expenditures.	Restricted	N/A	5,500	0
	GF/GP	N/A	(\$5,500)	\$0
<b>6. Economics</b>	<b>Gross</b>	<b>N/A</b>	<b>\$498,200</b>	<b>\$325,400</b>
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	N/A	\$498,200	\$325,400
<b>7. Targeted GF/GP Reductions</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$161,200)</b>	<b>\$0</b>
House reduces GF/GP funding for department operations.	GF/GP	N/A	(\$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.

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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	%
<b>IDG/IDT</b>	\$0	\$0	\$0	0.0	\$0	\$0	0.0
<b>Federal</b>	0	0	0	0.0	0	0	0.0
<b>Local</b>	0	0	0	0.0	0	0	0.0
<b>Private</b>	0	0	0	0.0	0	0	0.0
<b>Restricted</b>	0	0	0	0.0	0	0	0.0
<b>GF/GP</b>	4,630,800	4,399,200	(231,600)	(5.0)	4,399,200	0	0.0
<b>Gross</b>	<b>\$4,630,800</b>	<b>\$4,399,200</b>	<b>(\$231,600)</b>	<b>(5.0)</b>	<b>\$4,399,200</b>	<b>\$0</b>	<b>0.0</b>
<b>FTEs</b>	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.

<b>Budget Changes From FY 2010-11 YTD Appropriations</b>	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
<b>1. Line Item Roll-Ups</b> Current year budget contains 4 line items. Executive budget contains 1 line item. House budget contains 4 line items.			
<b>2. GF/GP Reductions</b> Reflects a savings to be achieved through administrative reductions.	<b>Gross</b> GF/GP	<b>N/A</b> N/A	<b>(\$212,200)</b> (\$212,200)
			<b>\$0</b> \$0
<b>3. SOCC Reduction</b> 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.	<b>Gross</b> GF/GP	<b>\$288,300</b> \$288,300	<b>(\$19,400)</b> (\$19,400)
			<b>\$0</b> \$0

**Boilerplate Changes From FY 2010-11**

There is no boilerplate for the Executive Office.

**Summary: As Reported by House Subcommittee  
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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	%
<b>IDG/IDT</b>	\$250,000	\$250,000	\$0	0.0	\$250,000	\$0	0.0
<b>Federal</b>	0	0	0	0.0	0	0	0.0
<b>Local</b>	0	0	0	0.0	0	0	0.0
<b>Private</b>	400,000	400,000	0	0.0	400,000	0	0.0
<b>Restricted</b>	1,109,800	1,109,800	0	0.0	1,109,800	0	0.0
<b>GF/GP</b>	100,574,300	98,573,400	(2,000,900)	(2.0)	98,573,400	0	0.0
<b>Gross</b>	<b>\$102,334,100</b>	<b>\$100,333,200</b>	<b>(\$2,000,900)</b>	<b>(2.0)</b>	<b>\$100,333,200</b>	<b>\$0</b>	<b>0.0</b>
<b>FTEs</b>	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.

<b>Budget Changes From FY 2010-11 YTD Appropriations</b>	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

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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	%
<b>IDG/IDT</b>	\$2,301,500	\$3,501,500	\$1,200,000	52.1	\$3,501,500	\$0	0.0
<b>Federal</b>	0	0	0	0.0	0	0	0.0
<b>Local</b>	0	0	0	0.0	0	0	0.0
<b>Private</b>	0	0	0	0.0	0	0	0.0
<b>Restricted</b>	1,539,900	1,539,900	0	0.0	1,539,900	0	0.0
<b>GF/GP</b>	11,155,000	10,597,000	(558,000)	(5.0)	10,597,000	0	0.0
<b>Gross</b>	<b>\$14,996,400</b>	<b>\$15,638,400</b>	<b>\$642,000</b>	<b>4.3</b>	<b>\$15,638,400</b>	<b>\$0</b>	<b>0.0</b>
<b>FTEs</b>	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.

<b>Budget Changes From FY 2010-11 YTD Appropriations</b>		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
<b>1. Line Item Roll-Ups</b>	Current year budget contains 2 line items. Executive budget contains 1 line item. House budget contains 2 line items.			
<b>2. GF/GP Reductions</b>	Reflects a savings to be achieved through administrative reductions.	<b>Gross</b> GF/GP	<b>N/A</b> N/A	<b>(\$558,000)</b> (\$558,000)
<b>3. Fund Source Adjustment</b>	Adjusts the budget to reflect the costs of conducting single audits in a line item appropriation. Prior to this, authorization was provided via boilerplate.	<b>Gross</b> IDG	<b>\$958,600</b> 958,600	<b>\$1,700,000</b> 1,700,000
<b>4. Technical Adjustment</b>	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.	<b>Gross</b> IDG	<b>\$500,000</b> 500,000	<b>(\$500,000)</b> (500,000)
				<b>\$0</b> \$0
				<b>\$0</b> 0
				<b>\$0</b> 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.

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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	%
<b>IDG/IDT</b>	\$20,000,000	\$20,000,000	\$0	0.0	\$20,000,000	\$0	0.0
<b>Federal</b>	1,810,000	1,810,000	0	0.0	1,810,000	0	0.0
<b>Local</b>	0	0	0	0.0	0	0	0.0
<b>Private</b>	100	100	0	0.0	100	0	0.0
<b>Restricted</b>	177,799,500	178,788,700	989,200	0.6	183,142,400	4,353,700	2.4
<b>GF/GP</b>	13,910,800	11,286,200	(2,624,600)	(18.9)	11,586,000	299,800	2.7
<b>Gross</b>	<b>\$213,520,400</b>	<b>\$211,885,000</b>	<b>(\$1,635,400)</b>	<b>(0.8)</b>	<b>\$216,538,500</b>	<b>\$4,653,500</b>	<b>2.2</b>
<b>FTEs</b>	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
<b>Budget Changes From FY 2010-11 YTD Appropriations</b>			
<b>1. Line Item Roll-Ups</b>			
Current year budget contains 22 line items. Executive budget contains 4 line items. House budget contains 8 line items.			
<b>2. State Officers Compensation Commission Adjustment</b>	<b>Gross</b>	<b>\$115,800</b>	<b>(\$3,300)</b>
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.	<b>GF/GP</b>	\$115,800	(\$3,300)
<b>3. Early Retirement Savings</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$621,300)</b>
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.	<b>GF/GP</b>	N/A	(\$621,300)
<b>4. General Fund Reduction</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$2,100,000)</b>
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.	<b>GF/GP</b>	N/A	(\$2,100,000)
<b>5. Economic Adjustments</b>	<b>Gross</b>	<b>N/A</b>	<b>\$1,089,200</b>
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
			<b>\$4,653,500</b>
			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	%
<b>IDG/IDT</b>	\$586,552,900	\$609,070,400	\$22,517,500	3.8	\$611,571,900	\$2,501,500	0.4
<b>Federal</b>	2,682,000	2,803,400	121,400	4.5	3,134,500	331,100	11.8
<b>Local</b>	1,380,400	1,456,600	76,200	5.5	1,504,800	48,200	3.3
<b>Private</b>	170,800	180,600	9,800	5.7	186,800	6,200	3.4
<b>Restricted</b>	83,827,300	85,272,900	1,445,600	1.7	88,455,000	3,182,100	3.7
<b>GF/GP</b>	299,748,800	307,513,400	7,764,600	2.6	319,863,800	12,350,400	4.0
<b>Gross</b>	<b>\$974,362,200</b>	<b>\$1,006,297,300</b>	<b>\$31,935,100</b>	<b>3.3</b>	<b>\$1,024,716,800</b>	<b>\$18,419,500</b>	<b>1.8</b>
<b>FTEs</b>	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
<b>Budget Changes From FY 2010-11 YTD Appropriations</b>			
<b>1. Line Item Roll-Ups</b>			
Current year budget contains 36 line items. Executive budget contains 6 line items. House budget contains 16 line items.			
<b>MANAGEMENT AND BUDGET</b>	<b>Gross</b>	<b>\$241,870,600</b>	<b>\$15,000,000</b>
<b>2. SBA Rent Increase</b>	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.			
<b>3. Management and Budget GF/GP Reductions</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$3,137,400)</b>
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)
			<b>\$0</b>
			<b>0</b>
			<b>0</b>
			<b>\$0</b>

		<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>
<b><u>Budget Changes From FY 2010-11 YTD Appropriations</u></b>				
<b>4. Management and Budget Early Retirement Savings</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$1,529,300)</b>	<b>\$0</b>
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	(\$1,529,300)	\$0
<b>5. Gubernatorial Transition</b>	<b>Gross</b>	<b>\$1,500,000</b>	<b>(\$1,500,000)</b>	<b>\$0</b>
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.	GF/GP	\$1,500,000	(\$1,500,000)	\$0
<b>6. DMB/DIT Consolidation</b>	FTE	N/A	39.0	0.0
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.	<b>Gross</b>	<b>N/A</b>	<b>\$1,400,000</b>	<b>\$0</b>
	IDG	N/A	1,400,000	0
<b>7. Accounting Service Consolidation</b>	FTE	N/A	14.0	0.0
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.	<b>Gross</b>	<b>N/A</b>	<b>\$1,593,200</b>	<b>\$0</b>
	IDG	N/A	1,593,200	0
<b>8. Building Operations Reductions</b>	<b>Gross</b>	<b>\$88,347,300</b>	<b>(\$1,250,000)</b>	<b>\$0</b>
Reflects a savings from reorganizing and restructuring building operations staff and not filling vacant positions.	IDG	88,347,300	(1,250,000)	0
<b>9. Eliminate Professional Development Funds</b>	<b>Gross</b>	<b>\$225,000</b>	<b>(\$225,000)</b>	<b>\$0</b>
Reflects a savings due to elimination of professional development funds for the AFSCME and MPE-SEIU bargaining units.	IDG	225,000	(225,000)	0
<b>10. SWCAP-related Fund Source Shifts</b>	<b>Gross</b>	<b>N/A</b>	<b>\$0</b>	<b>\$0</b>
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.	IDG	N/A	101,100	0
	Rest	N/A	293,600	0
	GF/GP	N/A	(\$394,700)	\$0
<b>11. Fund Source and Technical Adjustments</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$1,100)</b>	<b>\$0</b>
Adjusts fund sources and makes technical adjustments to reflect where expenditures are anticipated to occur.	IDG	N/A	59,700	0
	Rest	N/A	(111,000)	0
	GF/GP	N/A	\$50,200	\$0
<b>12. Management and Budget Economics</b>	<b>Gross</b>	<b>N/A</b>	<b>\$3,175,100</b>	<b>\$9,819,500</b>
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.)	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
<b>13. Targeted GF/GP Reductions</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$512,200)</b>	<b>\$0</b>
House reduces GF/GP funding for department operations.	GF/GP	N/A	(\$512,200)	\$0

<b>Budget Changes From FY 2010-11 YTD Appropriations</b>	<b>House Changes</b>			
	<b>FY 2010-11 YTD (as of 2/17/11)</b>	<b>FY 2010-11 to FY 2011-12</b>	<b>FY 2011-12 to FY 2012-13</b>	
<b>TECHNOLOGY SERVICES</b>	<b>Gross</b>	<b>\$415,136,100</b>	<b>\$7,907,900</b>	<b>\$0</b>
<b>14. Align IDGs with FY 2011 Enacted</b>	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"> <li>Increases Agriculture by \$32,000</li> <li>Decreases DOC by \$600,000</li> <li>Decreases DOE by \$85,000</li> <li>Increases DHS by \$8.9 million</li> <li>Decreases DMVA by \$153,200</li> <li>Decreases DNRE by \$18,700</li> <li>Increases DSP by \$196,800</li> <li>Decreases MDOT by \$356,000</li> </ul>				
<b>15. Program Enhancements</b>	<b>Gross</b>	<b>\$415,136,100</b>	<b>\$14,234,900</b>	<b>\$0</b>
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"> <li>DCH - \$8.9 million for the HIPPA Electronic Transaction Standards and International Classification of Diseases projects</li> <li>DHS - \$2.7 million for the Statewide Automated Child Welfare Information System</li> <li>DELEG - \$1.8 million for Michigan Business One Stop, an integrated approach to simplifying business-to-government transactions</li> <li>DHS - \$792,300 for new IT staff as a result of the Children's Rights lawsuit</li> </ul>				
<b>16. Eliminate Program Funding</b>	<b>Gross</b>	<b>\$415,136,100</b>	<b>(\$656,000)</b>	<b>\$0</b>
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"> <li>DCH - \$401,000 for Electronic Death Registry</li> <li>DHS - \$255,000 one-time funding for development of the LEIN/Bridges interface</li> </ul>				
<b>17. Technology Services Early Retirement Savings</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$2,795,500)</b>	<b>\$0</b>
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
<b>18. DMB/DIT Consolidation</b>	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.	<b>Gross</b>	<b>N/A</b>	<b>(\$1,431,100)</b>	<b>\$0</b>
	IDG	N/A	(1,431,100)	0
<b>19. Technology Services Budget Reductions</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$1,256,900)</b>	<b>\$0</b>
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"> <li>Civil Rights savings of \$150,000</li> <li>DEQ savings of \$270,000</li> <li>DTMB savings of \$257,400</li> <li>DNR savings of \$80,600</li> <li>DSP savings of \$359,900</li> <li>Treasury savings of \$139,000</li> </ul>				
<b>20. Fund Source Adjustments</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$1,500,400)</b>	<b>\$0</b>
Aligns fund sources to reflect funding actually received:	IDG	N/A	(1,500,400)	0
<ul style="list-style-type: none"> <li>Agriculture - \$160,000</li> <li>DNR - \$32,100</li> <li>DSP - \$1.3 million</li> </ul>				

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		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
<b>21. Technology Services Economics</b>	<b>Gross</b>	<b>N/A</b>	<b>\$5,477,600</b>	<b>\$0</b>
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
<b>CIVIL SERVICE COMMISSION</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$2,000,000)</b>	<b>\$0</b>
<b>22. Civil Service Commission GF/GP Reductions</b>	GF/GP	N/A	(\$2,000,000)	\$0
Reflects a savings to be achieved by not filling vacant positions.				
<b>23. Civil Service Commission Early Retirement Savings</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$1,616,400)</b>	<b>\$0</b>
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
<b>24. Human Resources Consolidation</b>	<b>Gross</b>	<b>N/A</b>	<b>\$277,800</b>	<b>\$0</b>
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
<b>25. Civil Service Commission Economics</b>	<b>Gross</b>	<b>N/A</b>	<b>\$2,612,100</b>	<b>\$0</b>
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
<b>26. Targeted GF/GP Reductions</b>	<b>Gross</b>	<b>N/A</b>	<b>(\$332,200)</b>	<b>\$0</b>
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	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	%
<b>IDG/IDT</b>	\$14,376,400	\$14,421,600	\$45,200	0.3	\$14,421,600	\$0	0.0
<b>Federal</b>	262,691,600	257,374,300	(5,317,300)	(2.0)	257,448,300	74,000	0.0
<b>Local</b>	2,054,000	2,099,200	45,200	2.2	2,099,200	0	0.0
<b>Private</b>	843,600	350,000	(493,600)	(58.5)	350,000	0	0.0
<b>Restricted</b>	1,524,721,000	1,437,287,500	(87,433,500)	(5.7)	1,475,196,200	37,908,700	2.6
<b>GF/GP</b>	120,937,800	202,413,100	81,475,300	67.4	193,475,800	(8,937,300)	(4.4)
<b>Gross</b>	<b>\$1,925,624,400</b>	<b>\$1,913,945,700</b>	<b>(\$11,678,700)</b>	<b>(0.6)</b>	<b>\$1,942,991,100</b>	<b>\$29,045,400</b>	<b>1.5</b>
<b>FTEs</b>	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.

<b>Budget Changes From FY 2010-11 YTD Appropriations</b>		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
<b>1. Line Item Roll-Ups</b>				
Current year budget contains 63 line items. Executive budget contains 11 line items. House budget contains 39 line items.				
<b>2. Debt Service Requirements</b>	<b>Gross</b>	<b>\$57,632,800</b>	<b>\$83,295,200</b>	<b>\$0</b>
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.				
	GF/GP	\$42,118,300	\$83,295,200	\$0
<b>3. Presidential Primary Costs</b>	<b>Gross</b>	<b>N/A</b>	<b>\$10,000,000</b>	<b>(\$10,000,000)</b>
Includes \$10.0 million GF/GP for anticipated costs associated with the next presidential primary. Funds are eliminated in FY 2012-13.				
	GF/GP	N/A	\$10,000,000	(\$10,000,000)
<b>4. Payment in Lieu of Taxes</b>	<b>Gross</b>	<b>\$12,956,400</b>	<b>(\$2,379,400)</b>	<b>\$0</b>
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.				
	Restricted	2,450,000	(803,400)	0
	GF/GP	\$10,506,400	(\$1,576,000)	\$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>	
<b>5. Land Bank Fast Track Authority Revolving Fund Loan</b>		<b>Gross</b>	<b>N/A</b>	<b>\$1,000,000</b>	<b>\$0</b>
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	0
<b>6. Unclaimed Property Legislation Costs</b>		FTE	N/A	5.0	0.0
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.		<b>Gross</b>	<b>N/A</b>	<b>\$700,000</b>	<b>\$0</b>
		Restricted	N/A	700,000	0
<b>7. Senior Citizen Cooperative Housing</b>		<b>Gross</b>	<b>\$14,520,000</b>	<b>(\$2,500,000)</b>	<b>\$0</b>
Reduces funding by \$2.5 million GF/GP to reflect required scheduled payment amount.		GF/GP	\$14,520,000	(\$2,500,000)	\$0
<b>8. Department General Fund Reduction</b>		<b>Gross</b>	<b>N/A</b>	<b>(\$905,500)</b>	<b>\$0</b>
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)	\$0
<b>9. Business Property Tax Appeal</b>		<b>Gross</b>	<b>\$900,000</b>	<b>(\$600,000)</b>	<b>\$0</b>
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)	\$0
<b>10. Fund Source Shifts</b>		<b>Gross</b>	<b>N/A</b>	<b>\$0</b>	<b>\$0</b>
Reflects \$1.4 million in fund source shifts from various fund sources to state restricted funds.		IDG/IDT	N/A	(169,000)	0
		Federal	N/A	(1,184,200)	0
		Restricted	N/A	1,353,200	0
<b>11. Targeted General Fund Reductions</b>		<b>Gross</b>	<b>N/A</b>	<b>(\$988,400)</b>	<b>\$0</b>
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)	\$0
<b>CASINO GAMING</b>					
<b>12. Michigan Gaming Control Board Auditor</b>		FTE	N/A	1.0	0.0
Includes \$90,200 Gross and 1.0 FTE to staff one new auditor required for audits for recently opened tribal casinos.		<b>Gross</b>	<b>N/A</b>	<b>\$90,200</b>	<b>\$0</b>
		Restricted	N/A	90,200	0
<b>REVENUE SHARING</b>					
<b>13. Constitutional Revenue Sharing</b>		<b>Gross</b>	<b>\$633,481,800</b>	<b>\$25,497,500</b>	<b>\$21,456,800</b>
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	\$21,456,800
<b>14. Economic Vitality Incentive Program</b>		<b>Gross</b>	<b>\$307,061,700</b>	<b>(\$107,061,700)</b>	<b>\$0</b>
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)	0
<b>15. County Revenue Sharing</b>		<b>Gross</b>	<b>\$114,740,700</b>	<b>(\$14,740,700)</b>	<b>\$10,644,200</b>
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)	10,644,200

<u>Budget Changes From FY 2010-11 YTD Appropriations</u>		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
<b>MICHIGAN STRATEGIC FUND</b>				
<b>16. Michigan Strategic Fund Fund Source Adjustments</b>				
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
	<b>Gross</b>	<b>N/A</b>	<b>(\$6,543,600)</b>	<b>\$0</b>
	IDG/IDT	N/A	(\$50,000)	0
	Federal	N/A	(6,000,000)	0
	Private	N/A	(493,600)	0
<b>17. Michigan Promotion Program</b>				
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).	<b>Gross</b>	<b>\$5,402,800</b>	<b>(\$5,402,800)</b>	<b>\$0</b>
	GF/GP	\$5,402,800	(\$5,402,800)	\$0
<b>18. 21st Century Jobs Trust Fund Programmatic Changes</b>				
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:	<b>Gross</b>	<b>\$75,000,000</b>	<b>\$0</b>	<b>\$0</b>
	Restricted	75,000,000	0	0
<ul style="list-style-type: none"> <li>• Pure Michigan: \$25.0 million Gross</li> <li>• Innovation and Entrepreneurship: \$25.0 million Gross</li> <li>• Business Attraction and Economic Gardening: \$25.0 million Gross</li> </ul>				
<b>DEPARTMENTWIDE ADJUSTMENTS</b>				
<b>19. Early Retirement Savings</b>				
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.	<b>Gross</b>	<b>N/A</b>	<b>(\$1,565,400)</b>	<b>\$0</b>
	GF/GP	N/A	(\$1,565,400)	\$0
<b>20. Economics</b>				
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.	<b>Gross</b>	<b>N/A</b>	<b>\$10,425,900</b>	<b>\$6,944,400</b>
	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.