

**Summary: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
TOTAL GENERAL GOVERNMENT**



Analysts: Robin R. Risko and Ben Gielczyk

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 Executive	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 Executive	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$644,781,100	\$669,128,900	\$24,347,800	3.8	\$672,284,600	\$3,155,700	0.5
Federal	277,499,300	273,049,700	(4,449,600)	(1.6)	273,736,400	686,700	0.3
Local	3,434,400	3,555,800	121,400	3.5	3,604,000	48,200	1.4
Private	1,414,500	930,700	(483,800)	(34.2)	936,900	6,200	0.7
Restricted	1,804,038,200	1,719,546,400	(84,491,800)	(4.7)	1,765,381,400	45,835,000	2.7
GF/GP	590,492,600	734,559,900	144,067,300	24.4	739,252,200	4,692,300	0.6
Gross	\$3,321,660,100	\$3,400,771,400	\$79,111,300	2.4	\$3,455,195,500	\$54,424,100	1.6
FTEs	7,709.2	7,732.2	23.0	0.3	7,732.2	0.0	0.0

Notes:

- (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.
- (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.
- (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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). The FY 2011-12 and 2012-13 Executive budget recommendations include each of the departments/agencies in individual articles. **Budget issues are listed by department on the following pages.**

Major Boilerplate Changes From FY 2010-11

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

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.

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.

Sec. 209. Purchase of Foreign Goods - DELETED

Prohibits purchase of foreign goods or services if competitively priced and of comparable quality American goods or services are available; requires preference be given to goods and services manufactured by Michigan businesses and Michigan businesses owned and operated by veterans.

Sec. 210. Businesses in Deprived and Depressed Communities - DELETED

Requires department directors to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts.

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

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.

Major Boilerplate Changes From FY 2010-11

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. 214. *Information Technology Services* - DELETED

Requires departments to pay user fees to DTMB for technology-related services and projects.

Sec. 215. *Disciplinary Action Against State Employees* - DELETED

Prohibits departments from taking disciplinary action against employees for communicating with legislators or their staff.

Sec. 216. *Out-of-State Travel Restrictions* - DELETED

Limits out-of-state travel; requires annual report of all out-of-state travel funded with department appropriations.

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. 226. *Use of Funding for Legal Services* - DELETED

Prohibits using appropriations to hire a person to provide legal services that are the responsibility of the attorney general; prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 228. *General Fund Lapses* - DELETED

Requires departments to report on estimates of general fund lapses at the close of the fiscal year.

Sec. 229. *Initiatives and Recommendations Related to Savings Identified in Audit Reports* - DELETED

Requires state departments and agencies to report on their efforts and progress made toward achieving savings and efficiencies identified by the auditor general in audit reports.

Sec. 230. *FTE Positions and Transparency Websites* - DELETED

Requires reports from executive branch departments 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.

Sec. 231. *Transparency Website Expenditure* - DELETED

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

**Summary: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
DEPARTMENT OF ATTORNEY GENERAL**



Analyst: Robin R. Risko

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

Notes:

- (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.
- (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.
- (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

Major Budget Changes From FY 2010-11 YTD Appropriations	Executive 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				
The current year budget contains 6 line items. The Executive budget contains 2 line items.				
2. GF/GP Reductions	Gross	N/A	(\$142,400)	\$0
Reflects a savings to be achieved by not filling vacant positions and through attrition.	GF/GP	N/A	(\$142,400)	\$0
3. Early Retirement Savings	Gross	N/A	(\$1,285,600)	\$0
Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.	GF/GP	N/A	(\$1,285,600)	\$0
4. SOCC Reduction	Gross	\$115,800	(\$3,300)	\$0
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.	GF/GP	\$115,800	(\$3,300)	\$0

<u>Major Budget Changes From FY 2010-11 YTD Appropriations</u>		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
5. PACC Grant Award Reduction	Gross	\$325,000	(\$186,000)	\$0
Includes a reduction from the Michigan Justice Training Fund as a result of reduced training services being provided by the Prosecuting Attorneys Coordinating Council.	IDG	325,000	(186,000)	0
6. State Claims Unit Reduction	Gross	\$1,417,100	(\$62,500)	\$0
Includes a reduction from the Risk Management Revolving Fund as a result of reduced services related to Workers' Compensation cases being provided by the Department of Attorney General.	IDG	1,417,100	(62,500)	0
7. Economics	Gross	N/A	\$2,607,600	\$1,980,300
Includes additional funding for economic adjustments to be made for insurance, retirement, and workers' compensation costs and for building occupancy charges in FY 2011-12. Also includes additional funding for economic adjustments to be made in FY 2012-13.	IDG	N/A	833,600	654,200
	Federal	N/A	283,100	225,000
	Restricted	N/A	501,400	390,600
	GF/GP	N/A	\$989,500	\$710,500

Major Boilerplate Changes From FY 2010-11

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

None

**Summary: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
DEPARTMENT OF CIVIL RIGHTS**



Analyst: Robin R. Risko

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 Executive	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 Executive	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$0	\$0	\$0	0.0	\$0	\$0	0.0
Federal	1,750,000	2,213,200	463,200	26.5	2,269,700	56,500	2.6
Local	0	0	0	0.0	0	0	0.0
Private	0	0	0	0.0	0	0	0.0
Restricted	53,000	58,500	5,500	10.4	58,500	0	0.0
GF/GP	10,975,700	9,827,200	(1,148,500)	(10.5)	10,096,100	268,900	2.7
Gross	\$12,778,700	\$12,098,900	(\$679,800)	(5.3)	\$12,424,300	\$325,400	2.7
FTEs	118.0	118.0	0.0	0.0	118.0	0.0	0.0

Notes:

- (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.
- (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.
- (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

Executive Changes

Major Budget Changes From FY 2010-11 YTD Appropriations	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 The current year budget contains 3 line items. The Executive budget contains 1 line item.			
2. GF/GP Reductions Reflects a savings to be achieved by reducing information technology user charges and 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.	Gross GF/GP	N/A N/A	(\$1,033,200) (\$1,033,200)
3. Early Retirement Savings Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.	Gross GF/GP	N/A N/A	(\$608,000) (\$608,000)
4. Increased Federal Grant Funding 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.	Gross Federal GF/GP	\$850,000 850,000	\$463,200 463,200
			\$0 56,500 (\$56,500)

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

Major Boilerplate Changes From FY 2010-11

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

Sec. 401. Private Contingency Funds – NEW Executive Sec. 3-301(b)

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

Sec. 402. Receipt and Expenditure of Local and Private Funds – REVISED Executive Sec. 3-302

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

**Summary: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
EXECUTIVE OFFICE**



Analyst: Robin R. Risko

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

Notes:

(1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.

(2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.

(3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

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

Major Boilerplate Changes From FY 2010-11

There is no boilerplate for the Executive Office.

**Summary: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
LEGISLATURE**



Analyst: Robin R. Risko

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

Notes:

- (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.
- (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.
- (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

Major Budget Changes From FY 2010-11 YTD Appropriations	Executive 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 The current year budget contains 15 line items. The Executive budget contains 1 line item.			
2. GF/GP Reductions Reflects a savings to be achieved through administrative reductions.	Gross GF/GP	N/A N/A	(\$2,000,900) (\$2,000,900)
			\$0 \$0

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

Major Boilerplate Changes From FY 2010-11

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

None

**Summary: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
LEGISLATIVE AUDITOR GENERAL**



Analyst: Robin R. Risko

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

Notes:

- (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.
- (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.
- (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	Executive Changes		
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13	
1. Line Item Roll-Ups	The current year budget contains 2 line items. The Executive budget contains 1 line item.				
2. GF/GP Reductions	Reflects a savings to be achieved through administrative reductions.	Gross GF/GP	N/A N/A	(\$558,000) (\$558,000)	\$0 \$0
3. Fund Source Adjustment	Includes additional funding to reflect actual expenditures for conducting single audits.	Gross IDG	\$958,600 958,600	\$1,700,000 1,700,000	\$0 0
4. Technical Adjustment	Reduces funding authorized to be received from the Department of Corrections. This funding was included in the FY 2010-11 budget, but was vetoed by the Governor.	Gross IDG	\$500,000 500,000	(\$500,000) (500,000)	\$0 0

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

Major Boilerplate Changes From FY 2010-11

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

Executive Sec. 12-405. 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, and a recommendation on implementation.

**Summary: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
DEPARTMENT OF STATE**



Analyst: Ben Gielczyk

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

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations. (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
1. Line Item Roll-Ups				
The current year budget contains 22 line items. The Executive budget contains 4 line items.				
2. State Officers Compensation Commission Adjustment	Gross	\$115,800	(\$3,300)	\$0
Reflects savings of \$3,300 Gross and GF/GP due to the 10.0% reduction in the Secretary of State's salary implemented on January 1, 2011. This amount reflects savings that will occur in first three months of FY 2011-12. No changes recommended in FY 2012-13.	GF/GP	\$115,800	(\$3,300)	\$0
3. Early Retirement Savings	Gross	N/A	(\$621,300)	\$0
Includes reduction of \$631,300 Gross and GF/GP to reflect full-year savings anticipated as a result of the FY 2010-11 early retirement program. No changes recommended in FY 2012-13.	GF/GP	N/A	(\$621,300)	\$0
4. General Fund Reduction	Gross	N/A	(\$2,100,000)	\$0
Reduction of \$2.1 million Gross and GF/GP to be achieved through cost savings within the department. No changes recommended in FY 2012-13.	GF/GP	N/A	(\$2,100,000)	\$0
5. Economic Adjustments	Gross	N/A	\$1,089,200	\$4,653,500
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	4,353,700
	GF/GP	N/A	\$100,000	\$299,800

Major 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. 714. Branch Office Closings or Consolidations – DELETED

Directs DOS (at least 180 days prior to closing or consolidation, and at least 60 days prior to relocation) to inform appropriations committees and legislators who represent affected areas of closing and/or consolidation; requires announcement to be in written form and to include analyses on criteria used for changes in branch location, including branch transactions, revenue, impact on citizens affected, and costs and savings that would result; requires report on savings from closing, consolidating, relocating offices, and costs of new leased facilities and expanded current space.

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: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**



Analyst: Robin R. Risko

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 Executive	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 Executive	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$586,552,900	\$609,070,400	\$22,517,500	3.8	\$611,571,900	\$2,501,500	0.4
Federal	2,682,000	2,803,400	121,400	4.5	3,134,600	331,200	11.8
Local	1,380,400	1,456,600	76,200	5.5	1,504,800	48,200	3.3
Private	170,800	180,600	9,800	5.7	186,800	6,200	3.4
Restricted	83,827,300	85,272,900	1,445,600	1.7	88,454,900	3,182,000	3.7
GF/GP	299,748,800	313,357,800	13,609,000	4.5	325,708,200	12,350,400	3.9
Gross	\$974,362,200	\$1,012,141,700	\$37,779,500	3.9	\$1,030,561,200	\$18,419,500	1.8
FTEs	2,972.5	2,986.5	14.0	0.5	2,986.5	0.0	0.0

Notes:

- (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011.
- (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations.
- (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
1. Line Item Roll-Ups				
The current year budget contains 36 line items. The Executive budget contains 6 line items.				
MANAGEMENT AND BUDGET	Gross	\$241,870,600	\$15,000,000	\$8,600,000
2. SBA Rent Increase	GF/GP	\$241,870,600	\$15,000,000	\$8,600,000
Includes additional funding for State Building Authority rent payments to be made for state financed capital outlay projects for state agencies, universities, and community colleges. Adjustments are made based on a number of factors including project start and end dates, delays, refinancing, refunding, the number of current projects underway, and assumptions of upcoming financing needs for planned projects.				
3. IT Innovation - State Agency Reforms	Gross	N/A	\$5,000,000	\$0
Establishes 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.				
	GF/GP	N/A	\$5,000,000	\$0

Major Budget Changes From FY 2010-11 YTD Appropriations	Executive Changes			
	FY 2010-11 YTD (as of 2/17/11)	FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13	
4. Management and Budget GF/GP Reductions	Gross	N/A	(\$3,137,400)	\$0
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)	0
	Rest	N/A	(732,600)	0
	GF/GP	N/A	(\$1,792,500)	\$0
5. Management and Budget Early Retirement Savings	Gross	N/A	(\$1,529,300)	\$0
Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.	GF/GP	N/A	(\$1,529,300)	\$0
6. Gubernatorial Transition	Gross	\$1,500,000	(\$1,500,000)	\$0
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
7. DMB/DIT Consolidation	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.	Gross	N/A	\$1,400,000	\$0
	IDG	N/A	1,400,000	0
8. Accounting Service Consolidation	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.	Gross	N/A	\$1,593,200	\$0
	IDG	N/A	1,593,200	0
9. Building Operations Reductions	Gross	\$88,347,300	(\$1,250,000)	\$0
Reflects a savings from reorganizing and restructuring building operations staff and not filling vacant positions.	IDG	88,347,300	(1,250,000)	0
10. Eliminate Professional Development Funds	Gross	\$225,000	(\$225,000)	\$0
Reflects a savings due to elimination of professional development funds for the AFSCME and MPE-SEIU bargaining units.	IDG	225,000	(225,000)	0
11. SWCAP-related Fund Source Shifts	Gross	N/A	\$0	\$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.	IDG	N/A	101,100	0
	Rest	N/A	293,600	0
	GF/GP	N/A	(\$394,700)	\$0
12. Fund Source and Technical Adjustments	Gross	N/A	(\$1,100)	\$0
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
13. Management and Budget Economics	Gross	N/A	\$3,175,100	\$9,819,500
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	331,200
	Local	N/A	0	48,200
	Private	N/A	0	6,200
	Rest	N/A	730,100	3,182,000
	GF/GP	N/A	\$1,104,100	\$3,750,400

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
TECHNOLOGY SERVICES				
14. Align IDGs with FY 2011 Enacted				
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 				
	Gross	\$415,136,100	\$7,907,900	\$0
	IDG	415,136,100	7,907,900	0
15. Program Enhancements				
Makes the following adjustments to reflect appropriations for program enhancements made in other state department budgets:				
<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 				
	Gross	\$415,136,100	\$14,234,900	\$0
	IDG	415,136,100	14,234,900	0
16. Eliminate Program Funding				
Reflects elimination of funding in various department budgets for programs no longer needing funding:				
<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 				
	Gross	\$415,136,100	(\$656,000)	\$0
	IDG	415,136,100	(656,000)	0
17. Technology Services Early Retirement Savings				
Includes a reduction to reflect the amount of full-year savings anticipated to occur as a result of the FY 2010-11 early retirement program.				
	Gross	N/A	(\$2,795,500)	\$0
	IDG	N/A	(2,795,500)	0
18. DMB/DIT Consolidation				
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.				
	FTE	N/A	(39.0)	0.0
	Gross	N/A	(\$1,431,100)	\$0
	IDG	N/A	(1,431,100)	0
19. Technology Services Budget Reductions				
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.				
<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 				
	Gross	N/A	(\$1,256,900)	\$0
	IDG	N/A	(1,256,900)	0
20. Fund Source Adjustments				
Aligns fund sources to reflect funding actually received:				
<ul style="list-style-type: none"> Agriculture - \$160,000 DNR - \$32,100 DSP - \$1.3 million 				
	Gross	N/A	(\$1,500,400)	\$0
	IDG	N/A	(1,500,400)	0

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

Major Boilerplate Changes From FY 2010-11

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

MANAGEMENT AND BUDGET

Sec. 809. Computer Contracts – DELETED

Requires DTMB to report revisions that increase or decrease, by more than \$500,000, current contracts for computer software development, hardware acquisition, or quality assurance, at least 14 days prior to revision finalization.

Sec. 813.(3) and (4) Motor Vehicle Fleet – DELETED

States legislative intent authorizing DTMB to assign motor vehicles to state agencies and institutions of higher education; requires MVF operation plan; specifies data required; authorizes plan adjustment to achieve maximum value and efficiency; and requires plan and changes to be reported within 60 days after year end.

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.

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.

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.

Sec. 817. Vendor Disclosure (Call Centers) – DELETED

Authorizes DTMB to require a vendor or subcontractor who provides call or contact center services to the state to disclose the location from which the call or contact center services are being provided.

Sec. 822. Report on Unclassified Salaries – DELETED

Requires DTMB to prepare a report on all salaries of unclassified employees and gubernatorial appointees within state departments.

TECHNOLOGY SERVICES

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

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

Major Boilerplate Changes From FY 2010-11

Sec. 824. Spatial Information and Technical Services – REVISED Executive Sec. 17-317

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. 827.(4) Michigan Public Safety Communications (MPSC) System – REVISED Executive Sec. 17-320

Requires approval by state budget director for expending MPSC System appropriation; requires DTMB to assess reasonable access and maintenance fees to system subscribers and use revenue for system support and maintenance; deletes requirement to report on receipts and expenditures for each six-month period of the fiscal year.

Sec. 828. IT-Related Appropriations and Expenditures – DELETED

Requires DTMB to report total funding appropriated for IT services and projects, by funding source, for all state departments; requires list of expenditures made from amounts received by DTMB.

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 – DELETED

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

Sec. 832. Child Support Enforcement System – DELETED

Requires report on amount expended for Child Support Enforcement System, revisions made to spending plans, and amount of penalties paid to federal government.

CIVIL SERVICE COMMISSION

Sec. 853. Office of Great Workplace Development – DELETED

Prohibits appropriations from being used for funding Office of Great Workplace Development.

STATE BUILDING AUTHORITY (SBA)

Sec. 843. Status of Construction Projects – DELETED

Requires DTMB to provide annual report on status of construction projects associated with SBA bonds.

CAPITAL OUTLAY

Sec. 860. Acronym Definitions – DELETED

Describes capital outlay-related acronym definitions contained in the bill.

Sec. 861. Capital Outlay Processes, Procedures, and Reports – DELETED

Subjects capital outlay projects to procedures outlined in Management and Budget Act, 1984 PA 431.

Sec. 862. Required Reports – DELETED

Requires DTMB to provide various detailed reports to JCOS and fiscal agencies with status of each planning or construction project financed by the SBA.

Sec. 865. Site Preparation Economic Development Fund – DELETED

Establishes Site Preparation Economic Development Fund in DTMB; requires proceeds from sale of designated sites to be deposited into fund; authorizes \$25.0 million cash advance from GF; requires annual report.

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 870. Statement of Proposed Operating Cost – DELETED

Requires operating costs to be included with submitted planning documents.

Sec. 871. Final Planning and Construction – DELETED

Outlines certain administrative procedures required to be followed in order for community college or university projects to proceed to final planning and construction.

Sec. 872. Match Requirements – DELETED

Requires a state agency, community college, or university to use available federal or other money to satisfy matching requirements.

Sec. 873. Community College Projects – DELETED

Lists provisions related to authorizations for community college capital outlay projects.

Sec. 874. Reduced State Funds – DELETED

Authorizes reduction of state appropriations if matching revenues received are less than anticipated.

Sec 875. Required Documentation – DELETED

Authorizes DTMB to require documentation regarding project match and board approval from community colleges and universities with authorized capital outlay projects.

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: Executive Budget Recommendation
for Fiscal Years 2011-12 and 2012-13
DEPARTMENT OF TREASURY**



Analyst: Ben Gielczyk

	FY 2010-11 Year-to-Date as of 2/17/11	FY 2011-12 Executive	Difference: FY 2011-12 Vs. FY 2010-11		FY 2012-13 Executive	Difference: FY 2012-13 Vs. FY 2011-12	
			Amount	%		Amount	%
IDG/IDT	\$14,376,400	\$14,421,600	\$45,200	0.3	\$14,421,600	\$0	0.0
Federal	262,691,600	257,374,300	(5,317,300)	(2.0)	257,448,300	74,000	0.0
Local	2,054,000	2,099,200	45,200	2.2	2,099,200	0	0.0
Private	843,600	350,000	(493,600)	(58.5)	350,000	0	0.0
Restricted	1,524,721,000	1,437,287,500	(87,433,500)	(5.7)	1,475,196,200	37,908,700	2.6
GF/GP	120,937,800	258,401,500	137,463,700	113.7	249,464,200	(8,937,300)	(3.8)
Gross	\$1,925,624,400	\$1,969,934,100	\$44,309,700	2.3	\$1,998,979,500	\$29,045,400	1.5
FTEs	2,199.5	2,208.5	9.0	0.4	2,208.5	0.0	0.0

Notes: (1) FY 2010-11 appropriation figures include the results of supplementals, Executive Order (EO) actions, and transfer adjustments through February 17, 2011. (2) FY 2012-13 figures are projected or proposed budget amounts only and would not be legally-binding appropriations. (3) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

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

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
5. Land Bank Fast Track Authority Revolving Fund Loan	Gross	N/A	\$1,000,000	\$0
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
6. Unclaimed Property Legislation Costs	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.	Gross	N/A	\$700,000	\$0
	Restricted	N/A	700,000	0
7. Senior Citizen Cooperative Housing	Gross	\$14,520,000	(\$2,500,000)	\$0
Reduces funding by \$2.5 million GF/GP to reflect required scheduled payment amount.	GF/GP	\$14,520,000	(\$2,500,000)	\$0
8. Department General Fund Reduction	Gross	N/A	(\$905,500)	\$0
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
9. Business Property Tax Appeal	Gross	\$900,000	(\$600,000)	\$0
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
10. Fund Source Shifts	Gross	N/A	\$0	\$0
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
CASINO GAMING				
11. Michigan Gaming Control Board Auditor	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.	Gross	N/A	\$90,200	\$0
	Restricted	N/A	90,200	0
REVENUE SHARING				
12. Constitutional Revenue Sharing	Gross	\$633,481,800	\$25,497,500	\$21,456,800
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. Includes projected increase of \$21.5 million Gross for FY 2012-13.	Restricted	633,481,800	25,497,500	21,456,800
13. Statutory Revenue Sharing/Local Government Incentive Program	Gross	\$307,061,700	(\$107,061,700)	\$0
Eliminates Statutory Revenue Sharing and replaces with Local Government Incentives Program for CVTs. Details of program have not been released. 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
14. County Revenue Sharing	Gross	\$114,740,700	(\$14,740,700)	\$10,644,200
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
MICHIGAN STRATEGIC FUND				
15. Michigan Strategic Fund Fund Source Adjustments	FTE	N/A	3.0	0.0
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.	Gross	N/A	(\$6,543,600)	\$0
	IDG/IDT	N/A	(50,000)	0
	Federal	N/A	(6,000,000)	0
	Private	N/A	(493,600)	0

Major Budget Changes From FY 2010-11 YTD Appropriations		FY 2010-11 YTD (as of 2/17/11)	Executive Changes	
			FY 2010-11 to FY 2011-12	FY 2011-12 to FY 2012-13
16. Michigan Promotion Program	Gross	\$5,402,800	(\$5,402,800)	\$0
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).	GF/GP	\$5,402,800	(\$5,402,800)	\$0
17. 21st Century Jobs Trust Fund Programmatic Changes	Gross	\$75,000,000	\$25,000,000	\$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	0
	GF/GP	\$0	\$25,000,000	\$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: \$50.0 million Gross, \$25.0 million GF/GP. GF/GP funding will come from planned elimination of various economic tax credits (MEGA). 				
18. Film Incentives	Gross	N/A	\$25,000,000	\$0
Includes \$25.0 million Gross and GF/GP for film incentives. Program is currently a tax credit program. Line-item appropriation reflects cap of \$25.0 million in film incentives in FY 2011-12 and FY 2012-13.	GF/GP	N/A	\$25,000,000	\$0
19. Quality of Place and Talent Enhancement	Gross	N/A	\$5,000,000	\$0
Includes \$5.0 million GF/GP to provide incentives to enhance urban and rural communities as well as attract talent to the state.	GF/GP	N/A	\$5,000,000	\$0
DEPARTMENTWIDE ADJUSTMENTS				
20. Early Retirement Savings	Gross	N/A	(\$1,565,400)	\$0
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.	GF/GP	N/A	(\$1,565,400)	\$0
21. Economics	Gross	N/A	\$10,425,900	\$6,944,400
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.	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	0
	GF/GP	N/A	\$1,718,200	\$1,062,700

Major Boilerplate Changes From FY 2010-11

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

Executive Boilerplate Deletions

In general, the Executive Budget deletes a large majority of boilerplate language included in the FY 2010-11 budget. This includes many legislative reporting requirements, sections providing guidance and placing conditions on appropriations, and earmarks of funding for specific purposes. The list below includes major changes to boilerplate, but is not a comprehensive list of all sections deleted.

Sec. 925. Public Private Partnership Investment – REVISED

Creates Public Private Partnership Investment Fund to fund investments such as capital asset improvements, energy resource exploration, financial and investment incentives, infrastructure construction, and public-private sector joint ventures. Eliminates reporting requirement. Eliminates language barring public private investment activities related to the Detroit River international crossing. (New Sec. 19-320.)

Sec. 925a. Public Private Partnership Appropriations – DELETED

Prohibits the funds appropriated for the public private partnership investment program from being used for activities related to the Detroit River international crossing.

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.

Major Boilerplate Changes From FY 2010-11

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. (New Sec. 19-401)

LOTTERY

Sec. 963. Department of Human Services Bridge Cards - DELETED

Requires Lottery to notify lottery retailers that DHS bridge cards are not to be used to purchase lottery tickets.

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. (New Sec. 19-802)

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 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.

Sec. 1014. Michigan Core Communities Fund - DELETED

Outlines purposes and authorized uses of the fund; establishes policies and procedures for disseminating grants from the fund; requires notification before grant distribution.

Sec. 1023. Tourism Promotion - DELETED

Requires Michigan Strategic Fund (MSF) to coordinate tourism promotion with the tourism industry. Requires annual report which lists places included in tourism promotion.

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. 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.

Sec. 1035. Michigan Council for the Arts and Cultural Affairs (MCACA) Arts and Cultural Grants - REVISED

Requires MCACA to maintain fair and equitable geographic distribution of funding for the arts and cultural grant program; specifies that monies awarded but returned shall be carried forward. (New Sec. 19-708)

Sec. 19-707. 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. Fund are made available until September 30, 2016 and work project will not exceed \$75.0 million.