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BILL ANALYSIS



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House Bill 5804 (as introduced)  
 Committee: Appropriations

**FY 2007-08 Year-to-Date Gross Appropriation ..... \$49,502,900**

**Changes from FY 2007-08 Year-to-Date:**

- 1. **History, Arts, and Libraries (HAL) Fund.** The Governor recommended that revenue from the HAL Fund be appropriated in the budget to increase transparency in funding. This would distribute existing revenue to the areas where it has been used previously. The adjustments recommended are: Management Services, \$50,000; Cultural Economic Development, \$50,000; Film Office, \$12,000; Michigan Council for Arts and Cultural Affairs Administration, \$80,000; Arts and Cultural Grants, \$20,000; Mackinac Island State Park Commission, \$200,000; Historical Administration and Services, \$171,000; and Library of Michigan Operations, \$205,000. 788,000
  
- 2. **Records Center Relocation.** The Governor recommended an increase of \$870,000 to relocate the Records Center. It is located currently in a building owned by the Department of Military Affairs, which requires the building for its own operations. 870,000
  
- 3. **Arts and Cultural Grants.** The Governor recommended increasing Arts and Cultural Grants from \$7,754,000 in FY 2007-08 to \$7,996,000 in FY 2008-09, an increase of \$242,000 or 3.1%. The \$250,000 GF/GP proposed increase would be reduced by (\$8,000), by the net impact of a restricted fund increase and transfer of Federal funds for administration. 242,000
  
- 4. **Museum Store.** The Governor recommended appropriating expenditures and revenue for the Museum Store which operates on restricted funds pursuant to statutory authority. 501,500
  
- 5. **Michigan History Day.** The Governor recommended eliminating State funding for this history competition for school-age students. (25,000)
  
- 6. **Economic Adjustments.** The Governor recommended economic adjustments of \$57,100. 57,100
  
- 7. **Other Changes.** The Governor recommended the following: Department of Information Technology (DIT) economics, \$5,200; DIT administrative reduction, (\$7,300); DIT replacement of computer servers and related hardware, \$179,500; elimination of Human Resources Optimization charges, (\$16,500); human resources consolidation, (\$211,500); budgeting for the Lighthouse Preservation Program, \$100,300; adjustments in building occupancy charges and rent, \$272,800; a line item for potential Federal, local and private grants, \$600,000; and various restricted and Federal fund source adjustments. 843,400

Total Changes..... \$3,277,000

**FY 2008-09 Governor's Recommendation..... \$52,779,900**

**Changes from FY 2007-08 Year to Date:**

1. **Deletions.** The Governor eliminated the following sections:
  - Section 207 – Requires privatization plans to be submitted to the subcommittees 60 days in advance of an effort to privatize.
  - Section 210 – Requires a report on policy changes made to implement any public act affecting the Department and prohibits the use of funds to adopt any rule unless it reduces the disproportionate economic impact of rules on small businesses.
  - Section 218 – States legislative intent to explore supplemental fund sources for the Department.
  - Section 219 – Prohibits disciplinary actions against State employees for communicating with the Legislature.
  - Section 220 – Requires the proposed minutes of the Michigan Film Advisory Commission be posted on the Internet within eight days of a meeting.
  - Section 227 – Requires the Department to implement continuous improvement efficiency mechanisms and report twice a year on the program review, improvements made, and estimated savings.
  - Section 507 – Requires the Department to permit the Historical Society of Michigan to use the Michigan History Magazine subscriber list at a cost not to exceed that of providing a single mailing.
  - Section 701 – Appropriates \$200,000 in FY 2007-08 from the Mackinac Island State Park Operations fees fund to the Mackinac Island State Park Commission for infrastructure improvement.
2. **Federal, Local, and Private Grants.** The Governor included notification of the Legislature within 10 days of the receipt of a grant appropriated in the proposed new line item for Federal, Local, and Private Grants. (Sec. 228)
3. **Michigan Freedom Trail Commission.** The Governor recommended making the allocation of \$25,000 to the commission permissive in FY 2008-09. This allocation currently is required. (Sec. 505)
4. **Sale of Artifacts.** The Governor deleted the requirement to give notice to the appropriations subcommittees one week prior to any sale of artifacts. (Sec. 506)

Date Completed: 2-14-08

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