

APPROPRIATION LINE ITEM AND BOILERPLATE HISTORY

**LEGISLATURE
PART 1: LINE ITEM DETAIL**
**2021 PA 87
FY 2021-22
Initial**
Sec. 105 (1) APPROPRIATION SUMMARY

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| 1. <u>Full-time equated (FTE) exempted positions</u> - Positions that are exempted from the classified State civil service pursuant to Article XI, Section 5 of the Michigan Constitution. These positions include elected officials, heads of principal departments, a limited number of policy-making positions in departments, members of boards and commissions, employees of State institutions of higher education, employees of the Judiciary, and employees of the Legislature. | N/A |
| 2. <u>Classified FTE positions</u> - All positions in classified State civil service. One FTE position equals 2,088 hours. | N/A |
| 3. <u>GROSS APPROPRIATION</u> - Total appropriations | \$213,762,800 |
| 4. <u>Interdepartmental grants (IDG)</u> - Funds that are also appropriated in other budgets. These funds are categorized as IDGs in the department that spends the funds and are therefore subtracted from the Gross Appropriation to avoid double counting total statewide appropriations. | 6,345,200 |
| 5. <u>ADJUSTED GROSS APPROPRIATION</u> - Gross appropriations less IDGs. | 207,417,600 |
| 6. <u>Federal revenue</u> - Funding allocated to the State by the Federal government. | 0 |
| 7. <u>Local revenue</u> - Funds paid by local units of government that support State services and programs. | 0 |
| 8. <u>Private revenue</u> - Available appropriated funds from private sources, including funding from non-governmental agencies. | 406,000 |
| 9. <u>State restricted revenue</u> - Revenue earmarked for a specific purpose by the State Constitution, statute, or appropriation bill. Restricted revenue also includes general fund/special purpose funds, such as fee revenue used to support licensing programs. | 6,877,300 |
| 10. <u>State general fund/general purpose</u> - Revenue that has no constitutional or statutory restrictions on how it is used. Approximately 90% of the general fund/general purpose (GF/GP) revenue is derived from the income, single business, insurance, sales, and use taxes. | 200,134,300 |
| 11. <u>Payments to locals</u> - State appropriations from GF/GP or State restricted revenues that will be allocated to local units of government. | 0 |

Sec. 105 (2) LEGISLATURE

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| 1. <u>Senate</u> | \$43,286,600 |
| This line item funds Senate central staff, partisan staff, the Office of the Secretary of the Senate, Senators' compensation, and Senate office budgets. | |

**LEGISLATURE
PART 1: LINE ITEM DETAIL**

**2021 PA 87
FY 2021-22
Initial**

2.	<u>Senate automated data processing</u>	\$2,772,600
	This line provides funding for Senate information technology costs in the Senate Information Systems (SIS) Office.	
3.	<u>Senate fiscal agency</u>	\$4,111,200
	The Senate Fiscal Agency (SFA) is a nonpartisan legislative agency created to provide the Michigan Senate with assistance in two principal ways: providing staff support to the Senate Appropriations Committee and assisting all members of the Senate on State budget-related issues; and providing analysis of all proposed legislation being considered by the Senate.	
4.	<u>House of representatives</u>	\$63,843,700
	This line item funds House central staff, partisan staff, the Clerk of the House, Representatives' compensation, and office budgets for Representatives.	
5.	<u>House automated data processing</u>	\$2,772,600
	This line provides funding for House information technology costs.	
6.	<u>House fiscal agency</u>	\$4,111,200
	The House Fiscal Agency (HFA) is a nonpartisan agency that provides assistance to the House Appropriations Committee and to other members of the Michigan House of Representatives regarding state fiscal matters. In addition to budget-related issues, the agency also provides members of the House with projections of the Michigan economy and estimates of state revenues and expenditures. The agency also provides fiscal analysis of proposed legislation.	
	Unit Gross Appropriation	\$120,897,900
	State general fund/general purpose	120,897,900

Sec. 105 (3) LEGISLATIVE COUNCIL

1.	<u>Legislative Council</u>	\$14,061,300
	Article IV, Section 15, of the Michigan Constitution provides for a bi-partisan Legislative Council. The Council is responsible for bill drafting, research, and other services for members of the legislature. The Constitution also provides that the Council shall periodically examine and recommend to the legislature revision of the various laws of the State. Public Act 268 of 1986 (The Legislative Council Act) implements Article IV, Section 15. The Legislative Council line item in the appropriation bill funds the Legislative Service Bureau, the Michigan Law Revision Commission, the Joint Committee on Administrative Rules, production of the Michigan Manual, Capitol Tour Guides, the Legislative Council Administrator, publication of Public Acts, and the Legislative Internet Technology Division.	

**LEGISLATURE
PART 1: LINE ITEM DETAIL**

**2021 PA 87
FY 2021-22
Initial**

2.	<u>Legislative service bureau automated data processing</u>	\$3,222,100
	This line item funds the operation of the Council's computer system and other information technology costs.	
3.	<u>Worker's compensation</u>	\$153,700
	This line item funds worker's compensation costs for all legislative employees.	
4.	<u>National association dues</u>	\$610,800
	This line item funds dues as allocated by the Legislative Council. Prior to FY 2003-04, boilerplate language allocated funding to the National Conference of State Legislatures, the Council of State Governments, the National Commission on Uniform State Laws, and the National Commission of Insurance Legislators. Beginning in FY 2011-12 the allocation of funds is determined by the Legislative Council.	
5.	<u>Legislative Corrections Ombudsman</u>	\$1,022,000
	The Michigan Legislature established the Office of Legislative Corrections Ombudsman within the Legislative Council in 1975 following several prison riots throughout the country. This nonpartisan agency was established to investigate issues affecting the Michigan Department of Corrections (MDOC), prisoners and Corrections staff. Statute grants the Ombudsman authority to investigate administrative actions of the Michigan Department of Corrections that are alleged to be contrary to law or Department policy.	
6.	<u>Michigan veterans facility ombudsman</u>	\$319,900
	The Michigan Legislature established the Office of Michigan Veterans Facility Ombudsman within the Legislative Council in 2016 following a Legislative Audit Report released in February 2016. Statute grants the Ombudsman authority to investigate complaints made at the veterans homes in Grand Rapids and Marquette.	
7.	<u>Legislative IT design special project</u>	\$0
	This line item was added in FY 2017-18 to direct that the funds appropriated shall be used for the design, development, and implementation of a legislative computer system. Funds cannot be used without written approval from the Speaker of the House, the Senate Majority Leader, and the Legislative Council Administrator.	
	Funding was moved to one-time funding in FY 2021-22.	
8.	<u>Independent citizens redistricting commission</u>	\$3,108,900
	Unit Gross Appropriation	\$22,498,700
	State general fund/general purpose	22,498,700

Sec. 105 (4) LEGISLATIVE RETIREMENT SYSTEM

1.	<u>General nonretirement expenses</u>	\$5,451,200
	This appropriation funds the retirement costs for members of the Defined Benefit Plan, which was closed to new members after March 30, 1997. The funding also funds health care costs for retired legislators and certain deferred vested members.	
	Unit Gross Appropriation	\$5,451,200
	State restricted revenue	1,268,500
	State general fund/general purpose	4,182,700

**LEGISLATURE
PART 1: LINE ITEM DETAIL**

**2021 PA 87
FY 2021-22
Initial**

Sec. 105 (5) PROPERTY MANAGEMENT

1.	<u>Cora Anderson building</u>	\$12,550,600
	This appropriation funds the purchase and annual operations costs of the House Office Building.	
2.	<u>Binsfeld Office Building and other properties</u>	\$8,562,800
	This appropriation funds property management costs for Senate owned properties.	
	Unit Gross Appropriation	\$21,113,400
	State general fund/general purpose	21,113,400

Sec. 105 (6) STATE CAPITOL HISTORIC SITE

1.	<u>General operations</u>	\$5,706,400
	This line item was formerly named the Capitol Building and was moved to this new unit and renamed beginning in FY 2014-15. This line item funds legislative facilities staff who are responsible for the maintenance, operation, and repair of the Capitol and grounds, except areas under the control of the House or Senate.	
2.	<u>Restoration, renewal and maintenance</u>	3,438,300
	Public Act 240 of 2013 established the Michigan State Capitol Historic Site which created the Michigan State Capitol Commission. The Commission's role is to operate and manage the State Capitol Historic Site, maintain and restore the Capitol building, establish, maintain, and operate parking facilities in the State Capitol area, and perform other duties.	
3.	<u>Bond/lease obligations</u>	100
	This line item serves as a placeholder for bond or lease payments that will be made in the future. The line item is created to separate out the funding used specifically for bond and/or lease payments from other expenditures.	
	Unit Gross Appropriation	\$9,144,800
	Private revenue	406,000
	State restricted revenue	3,438,300
	State general fund/general purpose	5,300,500

Sec. 105 (7) OFFICE OF THE AUDITOR GENERAL

1.	<u>Unclassified positions</u>	\$373,300
	Article IV, Section 53 of the Michigan Constitution provides that the Legislature, by a majority vote in each house, appoints the Auditor General for a term of eight years. The Auditor General conducts post financial and performance audits of State government operations.	
	This line item funds the positions of the Auditor General and the Deputy Auditor General. The State Constitution allows for up to three positions to be funded, but currently and for the last several years, only these two positions have been filled.	

**LEGISLATURE
PART 1: LINE ITEM DETAIL**

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| 2. | <u>Field operations</u> | | \$26,738,300 |
| | | This line item funds the remainder of the functions of the Office of the Auditor General. The majority of the staff is comprised of auditors housed in the Bureau of Audit Operations. Other personnel in this office support the audit work performed by the office including the offices of information technology, administration, and professional practice. | |

The role and constitutional responsibility of the Auditor General is to perform financial post audits and performance post audits of State programs. These audits provide a mechanism for the Legislature to obtain objective feedback on the operation of programs and the use of funds that are delegated to the executive branch of government.

Unit Gross Appropriation	\$27,114,600
Interdepartmental grants	6,345,200
State restricted revenue	2,170,500
State general fund/general purpose	18,598,900

Sec. 105 (8) ONE-TIME APPROPRIATIONS

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| 1. | <u>Legislative IT Design Special Project</u> | | \$7,542,200 |
| | | This funding supports costs associated with updating the chamber automation system. | |

Unit Gross Appropriation	\$7,542,200
State general fund/general purpose	7,542,200

**LEGISLATURE
PART 2: BOILERPLATE DETAIL
2021 PA 87**

Section Number	Description and History
600	<p><u>Expenditure Authorization.</u> Authorizes Legislature to receive, expend and transfer funds in addition to amounts authorized in Part 1.</p> <p>Background: This section has been included for over twenty years and allows the Legislature to receive and expend funds in addition to appropriations in Part 1.</p>
601	<p><u>Expenditures and Transfers.</u> Transfer and expenditure approval process for the Legislature.</p> <p>Background: This section was first included in FY 1991-92. This language is similar to language contained in Section 442 of the Management and Budget Act (1984 PA 431).</p>
602	<p><u>Farnum Building.</u> Provides that the Senate may charge rent and assess utility costs and appropriates funds for renovation, operation, and maintenance of the Binsfeld Office Building (formerly the Farnum Building) and other Senate properties.</p> <p>Background: This section is used to partially fund costs associated with renovation and maintenance of the Binsfeld Office Building.</p>
603	<p><u>National Association Dues.</u> Provides that the appropriation in Part 1 for national association dues shall be distributed by the Legislative Council.</p> <p>Background: This section previously allocated funding for national association dues to the National Conference of State Legislatures (NCSL), Council of State Governments (CSG), National Council of Insurance Legislators (NCIL), and National Conference of Commissioners on Uniform State Laws (NCCUSL). Budget reductions in FY 2003-04 resulted in the language being modified to provide that the Legislative Council will distribute funding for national association dues with no specific amount for an individual organization being listed in the boilerplate. In FY 2008-09 language was added stating that from the appropriation, \$51,000 was to be paid to the NCCUSL. In FY 2010-11, the language was modified to state that NCCUSL would only be paid if funds are available. In FY 2011-12 the language was again modified to delete language regarding the NCCUSL and now states that the dues shall be distributed by the Legislative Council. In FY 2016-17 the language was again modified to require that the first \$34,800 be paid to the NCCUSL.</p> <p>In FY 2017-18 the language was modified to state that if any funds remain after all required dues payments have been made, the Legislative Council may approve the use of up to \$10,000 to pay for the registration fees of any state employees who serve as board members to any of the national associations receiving state funds for annual dues to attend that national association's annual conference. If any of the \$10,000 remains after national board member's registration fees are paid, the remaining funds may be used to pay for the registration fees for any other state employees to attend the annual conference of any of the national associations receiving state funds for annual dues.</p>
604	<p><u>Legislative Parking Facilities.</u> Provides for operation of Legislative parking facilities by the Michigan State Capitol Historic Site. Authorizes the Michigan State Capitol Commission to collect fees for use of parking facilities. Provides that revenue received from parking fees shall be allocated by the Commission.</p> <p>Background: Similar authorization is included in Section 205 of the Legislative Council Act (1986 PA 268). Beginning in FY 2014-15, the reference was changed from the Legislative Council to the Michigan State Capitol Historic Site and the Michigan State Capitol Commission to comply with the requirements established in PA 240 of 2013 that established the Michigan State Capitol Historic Site.</p>

LEGISLATURE
PART 2: BOILERPLATE DETAIL
2021 PA 87

Section Number	Description and History
605	<p><u>Michigan Manual.</u> Designates as work project appropriation for the Michigan Manual as a work project.</p> <p>Background: Funding in the amount of \$25,900 was carried forward from previous fiscal years into FY 2018-19 for publication of the Michigan Manual. The completion date was revised to September 30, 2024 from September 30, 2023 in FY 2019-20. In FY 2021-22, the completion year was revised to 2026.</p>
606	<p><u>Property Management.</u> Designates property management appropriation for the Legislature as a work project. Includes estimated costs and tentative completion date.</p> <p>Background: Amounts carried forward into FY 2003-04 pursuant to this section included: State Capitol Building Facilities, \$375,000; and Farnum Building, \$1,691,653. In FY 2004-05 this language was modified by specifying that funds will be used to purchase equipment and services for building maintenance and including an estimated cost and completion date. In FY 2006-07, language that allowed previous funds to be appropriated for property management to be carried forward as a work project was removed. The estimated cost of the work project is set at \$500,000 and the tentative completion date is September 30, 2020. In FY 2016-17 the work project amount was raised to \$2.0 million with the completion date remaining as September 30, 2020. In FY 2017-18 the completion date was changed to September 30, 2021 and in FY 2018-19 changed to September 30, 2022. In FY 19-20, the date was changed to September 30, 2024. In FY 2021-22, the completion year was revised to 2026.</p>
607	<p><u>Legislative Automated Data Processing.</u> Designates appropriations for automated data processing as work project appropriations. Includes estimated costs and tentative completion date.</p> <p>Background: First included in FY 2004-05. Language specifies that funds will be used to purchase equipment, software, and services in order to support and implement data processing and technology improvements. In FY 2006-07, language that allowed previous funds to be appropriated for automated data processing to be carried forward as a work project was removed. The estimated cost of the work project is set at \$500,000 and the tentative completion date is September 30, 2020. In FY 2016-17 the work project amount was raised to \$2.0 million with the completion date remaining as September 30, 2020. In FY 2017-18 the completion date was changed to September 30, 2021 and in FY 2018-19 changed to September 30, 2023. In FY 2021-22, the completion year was revised to 2026.</p>
608	<p><u>Save the Flags Fund.</u> Allows the Michigan Capitol Committee to receive contributions and bequests for the Save the Flags Fund, and provides for carry forward.</p>
615	<p><u>Legacy Costs.</u> This language lists the authorized amount of the appropriations in Part 1 that may be used for legacy costs as well as an estimate of the amount of pension-related legacy costs. For FY 2021-22 pension-related legacy costs are estimated at \$15,738,400 and retiree health care legacy costs are estimated at \$12,353,300.</p> <p>Background: This section was added in FY 2014-15.</p>
616	<p><u>Redistricting Commission Assistance.</u> Requires the Council Administrator to assist in administering compensation, benefits, and other personnel support to the members, employees, staff, and consultants of the Independent Citizens Redistricting Commission.</p> <p>Background: This section was added in FY 2020-21.</p>
617	<p><u>Redistricting Commission Report.</u> Requires the Legislative Redistricting Commission to submit a quarterly report on expenditures and activities.</p>

**LEGISLATURE
PART 2: BOILERPLATE DETAIL
2021 PA 87**

Section Number	Description and History
	Background: This section was added in FY 2019-20.
618	<p>Legislative IT Design Special Project. Allows funding to be designated as a work project appropriation until work is completed in 2026. This funding will be used to update the chamber automation system.</p> <p>Background: This section was added in FY 2021-22.</p>
<u>Legislative Auditor General</u>	
620	<p><u>Judicial Branch Audits.</u> Provides that the Auditor General shall audit the judicial, executive, and legislative branches.</p> <p>Background: This section was first included in FY 1993-94. A corresponding section was included in boilerplate for the Judiciary, requiring cooperation with the Auditor General regarding audits required by the Michigan Constitution. This section was modified in FY 2020-21 to include audits of the executive and legislative branches.</p>
621	<p><u>Contract Audits.</u> Requires the Auditor General to take reasonable steps to insure that certified minority, women, and firms owned and operated by persons with disabilities, participate in contract audits. Includes annual reporting requirement to the State Budget Director, and the House and Senate General Government Subcommittees.</p> <p>Background: This section was first included in FY 1991-92. It previously required Legislative oversight prior to finalizing contracts.</p>
622	<p><u>Auditor General-Unclassified Salaries.</u> Provides that the salary of Auditor General and the 2.0 FTE other unclassified positions in the Legislative Auditor General's office shall be set by the Speaker of the House, the Senate Majority Leader, the House Minority Leader, and the Senate Minority Leader.</p> <p>Background: This section was first included for FY 2001-02 due to roll-up of the appropriation for the Legislative Auditor General's office within the Legislative budget. It previously specified the salary amounts for the unclassified positions in the Office of the Auditor General. Language was amended in FY 2003-04 to the current version of the language.</p>
623	<p><u>Legislative Audit Requests.</u> Provides that any audits, reviews, or investigations requested of the Auditor General by the Legislature or by legislative leadership, legislative committees, or individual legislators should include an estimate of the additional costs involved and, when such costs exceed \$50,000, should provide supplemental funding. The Auditor General will determine whether to perform such activities in keeping with Audit Directive No. 29, which describes the Legislative Auditor General's office policy on responding to legislative requests.</p> <p>Background: This section was first included in FY 2002-03 due to concerns regarding increasing audit requests from legislators and limited funding resources for the Auditor General.</p>
624	<p><u>Authorization to Charge and Collect Fees.</u> Language authorizes the Auditor general to charge and collect fees for a subsequent audit conducted pursuant to Section 229. States that fees and charges may not exceed cost of audit. Provides for expenditure of funds.</p> <p>Background: This section was first included in FY 2017-18.</p>

**LEGISLATURE
PART 2: BOILERPLATE DETAIL
2021 PA 87**

Section Number	Description and History
625	<p><u>Access to Confidential Information.</u> States that it is the intent of the legislature that the Auditor General be authorized to access and examine confidential information in the performance of its duties.</p> <p>Background: This section was first included in FY 2019-20.</p>
627	<p><u>Unexpended Funds Designation as a Work Project.</u> States that unexpended funds at the end of the fiscal year shall not lapse and be available as a work project. The purpose of the work project is to conduct the State of Michigan Annual Comprehensive Financial Report.</p> <p>Background: This section was first included in FY 2020-21.</p>