

Act No. 117
Public Acts of 2007
Approved by the Governor
October 31, 2007
Filed with the Secretary of State
October 31, 2007
EFFECTIVE DATE: October 31, 2007

**STATE OF MICHIGAN
94TH LEGISLATURE
REGULAR SESSION OF 2007**

Introduced by Senator George

ENROLLED SENATE BILL No. 231

AN ACT to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of history, arts, and libraries for the fiscal year ending September 30, 2008, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	230.0	
GROSS APPROPRIATION		\$ 49,502,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		139,200
ADJUSTED GROSS APPROPRIATION		\$ 49,363,700
Federal revenues:		
Total federal revenues		7,307,400
Special revenue funds:		
Total private revenues		112,400
Total other state restricted revenues		2,645,600
State general fund/general purpose		\$ 39,298,300

Sec. 102. DEPARTMENT OPERATIONS

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	32.0	
Unclassified salaries		\$ 228,600
Management services—31.0 FTE positions		2,786,400

		For Fiscal Year Ending Sept. 30, 2008
Building occupancy charges and rent	\$	3,277,800
Worker's compensation.....		9,000
Film office—1.0 FTE positions		180,300
Human resources optimization user charges.....		16,500
GROSS APPROPRIATION.....	\$	6,498,600
Appropriated from:		
State general fund/general purpose	\$	6,498,600
Sec. 103. INFORMATION TECHNOLOGY		
Information technology services and projects.....	\$	1,099,200
GROSS APPROPRIATION.....	\$	1,099,200
Appropriated from:		
Mackinac Island state park fund.....		47,000
State general fund/general purpose	\$	1,052,200
Sec. 104. COUNCIL FOR ARTS AND CULTURAL AFFAIRS		
Full-time equated classified positions.....	5.0	
Administration—5.0 FTE positions	\$	434,400
Arts and cultural grants.....		7,754,000
GROSS APPROPRIATION.....	\$	8,188,400
Appropriated from:		
NFAH-NEA, promotion of the arts, partnership agreements		700,000
State general fund/general purpose	\$	7,488,400
Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION		
Full-time equated classified positions.....	39.0	
Mackinac Island park operation—24.3 FTE positions.....	\$	1,544,100
Historical facilities system—14.7 FTE positions		1,948,500
GROSS APPROPRIATION.....	\$	3,492,600
Appropriated from:		
Federal funds		200,000
Mackinac Island state park operation fund		160,200
Mackinac Island state park fund.....		1,566,000
State general fund/general purpose	\$	1,566,400
Sec. 106. MICHIGAN HISTORICAL PROGRAM		
Full-time equated classified positions.....	83.0	
Historical administration and services—71.0 FTE positions	\$	5,812,800
Federal programs—12.0 FTE positions		850,000
Heritage publications.....		700,000
Private grants and gifts		112,400
Thunder Bay national marine sanctuary and underwater preserve.....		202,000
Michigan history day.....		25,000
GROSS APPROPRIATION.....	\$	7,702,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDOT, comprehensive transportation fund		3,800
IDG-MDOT, state aeronautics fund		2,300
IDG-MDOT, state trunkline fund		133,100
Federal revenues:		
DOI-NPS, historic preservation grants-in-aid		850,000
Special revenue funds:		
Private - grants and gifts		10,000
Private - Mann house trust fund		102,400
Game and fish protection fund		3,700
Heritage publication fund		700,000
Marine safety fund		400
Special revenue, internal service and pension trust		49,200

		For Fiscal Year Ending Sept. 30, 2008
State lottery fund	\$	19,100
State services fee fund		12,300
Waterways fund		800
State general fund/general purpose	\$	5,815,100

Sec. 107. LIBRARY OF MICHIGAN

Full-time equated classified positions	71.0	
Book distribution centers	\$	350,000
Collected gifts and fees		86,900
Library of Michigan operations—71.0 FTE positions		6,022,600
Library services and technology act		5,557,400
State aid to libraries		10,000,000
Subregional state aid		505,000
GROSS APPROPRIATION	\$	22,521,900
Appropriated from:		
Library services and technology act		5,557,400
User fees		86,900
State general fund/general purpose	\$	16,877,600

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2007-2008 is \$41,943,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$11,536,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

Arts and cultural grants	\$	1,031,300
State aid to libraries		10,000,000
Subregional state aid		505,000
Total department of history, arts, and libraries	\$	11,536,300

Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this appropriation act:

- (a) "Department" means the department of history, arts, and libraries.
- (b) "Director" means the director of the department of history, arts, and libraries.
- (c) "DOI-NPS" means the United States department of interior, national park service.
- (d) "Fiscal agencies" means the house fiscal agency and the senate fiscal agency.
- (e) "FTE" means full-time equated.
- (f) "IDG" means interdepartmental grant.
- (g) "MCACA" means the Michigan council for arts and cultural affairs.
- (h) "MDOT" means the Michigan department of transportation.
- (i) "NEA" means the national endowment for the arts.
- (j) "NFAH" means the national foundation of the arts and the humanities.

(k) "Subcommittees" means all members of the appropriate subcommittees of the senate and house of representatives appropriations committees.

Sec. 204. The department of civil service shall bill the departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the fiscal agencies and to the subcommittees within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. (1) The department shall report to the senate and house appropriation subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies no later than April 1, 2008 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year.

(2) Funds appropriated in part 1 shall not be used by the department to adopt a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(3) As used in this section:

(a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

(b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

Sec. 211. The department shall establish and maintain affirmative action programs based on guidelines developed by the state equal opportunity workforce planning council which was created by Executive Order No. 1996-13 in order to receive general fund/general purpose dollars in compliance with section 26 of article I of the state constitution of 1963.

Sec. 213. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 214. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 215. (1) The department may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, and facility use, and technical consulting services to other principal executive

departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. Fees for services shall be reasonably related to the cost of providing the services and shall be used to offset the costs of the services. The department may receive and expend funds in addition to those authorized in part 1 for the following:

- (a) Supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products.
 - (b) Microfilming and other document and data imaging services, media, storage, and copies.
 - (c) Patron copier and document reproduction services and copies.
 - (d) Conferences, training classes, exhibits, programs, and workshops conducted as part of the department's mission.
 - (e) Use of specialized equipment, facilities, and software that permit distance learning and meetings, and group decision making.
 - (f) Special services including the rental of department exhibits and collections.
 - (g) Application fees.
 - (h) Grants, gifts, and bequests, including those for capital projects.
- (2) The funds received under this section shall be deposited in and expended from the history, arts, and libraries fund established in section 216 of this act.

Sec. 216. (1) A fund known as the history, arts, and libraries fund is created in the department. The fund shall be used to receive and expend funds in addition to those authorized in part 1. All funds are allocated for expenditure upon receipt. The fund balance may be carried forward for expenditure in subsequent fiscal years.

(2) The department shall provide a report to the senate and house of representatives appropriations subcommittees on history, arts, and libraries of all revenues to and expenditures from the history, arts, and libraries fund. The report shall include an estimated fund balance for the fiscal year ending September 30, 2008. The report is due November 1, 2008.

Sec. 217. (1) Due to the current budgetary problems in this state, out-of-state travel shall be limited to situations in which 1 or more of the following conditions apply:

- (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
- (d) The travel is necessary to comply with federal requirements.
- (e) The travel is necessary to secure specialized training for staff that is not available within this state.
- (f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the senate and house of representatives appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the senate and house of representatives appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.
- (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.
- (d) A brief statement of the reason for each travel occurrence.
- (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.
- (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 218. It is the intent of the legislature to explore supplemental fund sourcing options for the department of history, arts, and libraries.

Sec. 219. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 220. The department shall publish the proposed minutes of the Michigan film advisory commission on the Internet within 8 business days after the meeting to which the minutes refer. Approved minutes of the Michigan film advisory commission shall be posted on the Internet within 8 business days after their approval.

Sec. 222. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 223. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities or for those activities that the attorney general authorizes.

Sec. 224. (1) The department of history, arts, and libraries shall collaborate with the state board of education, the department of human services, the department of community health, and the department of labor and economic growth to extend the duration of the Michigan after-school partnership, and oversee its efforts to implement the policy recommendations and strategic next steps identified in the Michigan after-school initiative's report of December 15, 2003.

(2) From the funds appropriated in part 1, \$25,000.00 may be used to support the Michigan after-school partnership. Funds shall be used to leverage other private and public funding to engage the public and private sectors in building and sustaining high-quality out-of-school-time programs and resources. The co-chairs, representing the department, the state board of education, the department of human services, the department of labor and economic growth, and the department of community health shall name a fiduciary agent and may authorize the fiduciary to expend funds and hire people to accomplish the work of the Michigan after-school partnership.

(3) Participation in the Michigan after-school partnership shall be expanded beyond the membership of the initial Michigan after-school initiative to increase the representation of parents, youth, foundations, employers, and others with experience in education, child care, after-school and youth development services, and crime and violence prevention, and to include representation from the Michigan department of history, arts, and libraries. Each year, on or before December 31, the Michigan after-school partnership shall report its progress in reaching the recommendations set forth in the Michigan after-school initiative's report to the legislature and governor.

Sec. 226. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 227. From the funds appropriated in part 1, the department shall implement continuous improvement efficiency mechanisms in the programs administered by the department. The continuous improvement efficiency mechanisms shall identify changes made in programs to increase efficiency and reduce expenditures in the programs. On March 31, 2008 and September 30, 2008, the department shall submit a report to the state budget director, the senate and house appropriation subcommittees, and the senate and house fiscal agencies on the progress made toward increased efficiencies in department programs. At a minimum, each report shall include information on the program review process, the type of improvement mechanisms implemented, and actual and projected expenditure savings as a result of the increased program efficiencies.

MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS

Sec. 401. (1) The MCACA in the department shall administer the arts and cultural grants appropriated in part 1.

(2) The MCACA shall render fair and independent decisions concerning arts and cultural grant requests and shall do all of the following:

(a) Use published criteria to evaluate program quality, including all of the following:

(i) The department's intended goals and outcomes for each program.

(ii) The department's quantifiable measures of success in meeting the intended goals and outcomes.

(b) Seek to award grants on an equitable geographic basis to the extent possible given the quality of grant applications received.

(c) Give priority to projects that serve multiple counties, leverage significant additional public and private investment, or demonstrate a significant potential to increase tourism or attract or retain businesses or residents.

(3) No payment shall be made under part 1 except upon application submitted in accordance with MCACA published regulations and procedures, which shall ensure both of the following:

(a) Artistic excellence and artistic merit are the criteria by which applications will be judged, taking into consideration general standards of decency and respect for the diverse beliefs and values of the people of this state.

(b) Criteria clearly indicate that obscenity is without artistic merit, is not protected speech, and will not be funded by a grant from appropriations under part 1.

(4) The MCACA shall provide for fair, equitable, and efficient distribution of funds granted through the regional regranteeing program. The MCACA shall provide for an annual assessment of grant management and distribution of mini-grant awards by designated regional regranteeing agencies and review the methodology employed.

(5) The MCACA shall continue and expand its efforts to encourage and support nonprofit arts and cultural organizations to transition from solely volunteer-based organizations to professionally directed operations. Criteria for support include the requirement of collaboration between these organizations and other community organizations.

(6) The department shall withhold undistributed grant payments from a grant recipient who violates the requirements for funding in subsection (3) and may disqualify the grant recipient from award of future grants for a period of not more than 3 years.

Sec. 402. The MCACA may award grants to counties, cities, villages, townships, community foundations and organizations in the following categories:

(a) Anchor organization program for organizations that serve regional and statewide audiences. Anchor organizations shall demonstrate a commitment to education, to mentoring smaller organizations, and to reaching underserved audiences.

(b) Arts projects program.

(c) Arts and learning program.

(d) Artists in residence for education program.

(e) Arts organization development program.

(f) Capital improvement program.

(g) Local arts agencies services program.

(h) Regional regranteeing program.

(i) Partnership program.

(j) Rural arts and cultural program.

(k) Cultural projects program.

(l) Historical society projects program.

(m) Discretionary grants program.

(n) Cultural and ethnic heritage centers and museums.

Sec. 403. (1) From the state funds appropriated in part 1 for arts and cultural grants, no 1 organization may receive more than 15% of this funding.

(2) The MCACA shall make every effort to provide total grant awards in the anchor organization program at a level not to exceed 70% of the total amount appropriated for arts and cultural grants.

(3) As documented in the audit report that is submitted as part of the grant application process, the total of all grants awarded to any organization receiving grants within the anchor organization program may not exceed 15% of their "total unrestricted revenues, gains, and other support", as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations or equivalent accounting standards for other types of eligible organizations.

(4) Before any amount appropriated for arts and cultural grants in part 1 may be expended for a grant to an eligible recipient, the department shall execute a grant agreement with the recipient. The grant agreement shall identify the projects funded, specify the category in section 402 under which the grant is awarded, and include the prohibitions and sanctions identified in section 401(3) and (6).

Sec. 404. Grant applicants must meet and adhere to the following requirements:

(a) Each applicant shall pay a nonrefundable application fee of \$300.00 or 3% of the desired grant amount, whichever is less. Application fees shall be deposited in the history, arts, and libraries fund established in section 216. The department may use the application fee to offset its direct and indirect costs.

(b) An applicant for a grant under the anchor organization program shall submit with the application the applicant's most recent annual audit report which states their "total unrestricted revenues, gains, and other support", as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations or equivalent accounting standards for other types of eligible organizations. The audit report must cover an audit period that ends within 18 months of the date of the application.

(c) Each applicant shall identify proposed matching funds from local and/or private sources on a minimum of a dollar-for-dollar basis. The match may include the reasonable value of services, materials, and equipment as allowed under the federal internal revenue code for charitable contributions.

Sec. 405. Each grant recipient shall provide the MCACA with the following:

(a) Proof of the entire amount of the matching funds, services, materials, or equipment by the end of the award period.

(b) Within 30 days following the end of the grant period, a final report that includes the following:

(i) Project revenues and expenditures including grant matching fund amounts.

(ii) Number of patrons attracted or benefiting during the grant period.

(iii) A narrative summary of each project and its outcome.

(c) By April 7 of the grant year, each recipient of a grant greater than \$100,000.00 shall submit an interim report that includes the items identified in subdivision (b).

Sec. 406. (1) The department shall make the following reports:

(a) A report identifying the website location that contains a list of all grant recipients, sorted by county. This report shall be provided to each legislator within 1 business day of the announcement of annual awards by the MCACA.

(b) A report to the senate and house of representatives appropriations subcommittees, the state budget office, and the fiscal agencies, within 30 days after the MCACA announces the annual grant awards, that includes all of the following:

(i) A listing of each applicant.

(ii) The county of residence of the applicant.

(iii) The amount requested.

(iv) The amount awarded.

(v) The grant category under which an applicant applied.

(vi) A summary of projects funded for each recipient.

(vii) The expected number of patrons for an applicant during the grant period.

(viii) The amount of matching funds proposed by each applicant.

(ix) A listing containing the applicant, county of residence of the applicant, and amount awarded for any regranted funds in the preceding fiscal year.

(c) An annual report to the appropriations subcommittees, the state budget office, and the fiscal agencies is due when materials are first distributed by the MCACA seeking grant applications for the subsequent fiscal year. The report shall contain the following:

(i) The MCACA guidelines for awarding grants.

(ii) A summary of any changes in the program guidelines from the previous fiscal year.

(2) The council shall report to the chairpersons of the senate and house of representatives appropriations subcommittees on history, arts, and libraries by August 1 all unexpended or unencumbered discretionary grant funding that is available. The council shall not redistribute any unexpended or unencumbered grant funds during the fiscal year without a 10-day notice to the chairpersons of the senate and house of representatives appropriations subcommittees on history, arts, and libraries.

MICHIGAN HISTORICAL PROGRAM

Sec. 501. The federal funds appropriated in part 1 for the historic site preservation grants are for work projects and shall not lapse at the end of the fiscal year but shall continue to be available for expenditure until the projects for which the funds were reserved have been completed or are terminated. The purpose of these work projects is the identification, designation, and preservation of historic resources. The method used will be to solicit applications, score applications based upon established criteria, and award subgrants. The department shall execute a grant agreement with each recipient. The total cost is \$85,000.00, and the tentative completion date is September 30, 2008.

Sec. 502. Funds collected by the department under sections 6, 7, and 7a of 1913 PA 271, MCL 399.6, 399.7, and 399.7a, are appropriated to the department for the purposes for which they were received, are allocated for expenditure upon receipt and may be carried forward for expenditure in subsequent fiscal years.

Sec. 503. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 505. From the funds appropriated in part 1 for historical administration and services, \$25,000.00 shall be allocated to support the operations of the Michigan freedom trail commission as specified in section 4 of the Michigan freedom trail commission act, 1998 PA 409, MCL 399.84. These funds shall be used to reimburse commission members, to pay for necessary contractual services of the commission, and to hire not more than 1.0 FTE position in the department's Michigan historical center to support commission operations.

Sec. 506. Proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum are appropriated to the department and may be expended upon receipt for additional material for the collection. The department shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house of representatives appropriations subcommittees on history, arts, and libraries 1 week prior to any auctions or sales.

Sec. 507. Unless prohibited by law, the department shall make available to the historical society of Michigan the use of the Michigan history magazine subscriber list, or a portion of the Michigan history magazine subscriber list, at a cost not to exceed the actual expense incurred for providing a single mailing.

LIBRARY OF MICHIGAN

Sec. 601. In order to receive subregional state aid as appropriated in part 1 to the library of Michigan, a subregional library's fiscal agency must agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a subregional library's fiscal agency or a reduction in expenditures for the subregional library's fiscal agency, a reduction in expenditures for the subregional library shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1.

Sec. 602. The funds appropriated in part 1 for a subregional library shall not be released until a budget for that subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

Sec. 607. The funds appropriated in part 1 for book distribution centers shall be distributed equally to the public enrichment foundation and the Michigan friends of education.

MACKINAC ISLAND STATE PARK COMMISSION

Sec. 701. There is appropriated \$200,000.00 from the Mackinac Island State Park operations fees fund to the Mackinac Island state park commission, historic projects division, revenue bond fund for infrastructure improvements.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Richard J. Brown

Clerk of the House of Representatives

Approved _____

Governor