



STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR

JENNIFER M. GRANHOLM  
~~JOHN ENGELER~~  
GOVERNOR

**EXECUTIVE ORDER**  
**No. 2003 - 3**

**IMPLEMENTATION OF EXPENDITURE REDUCTIONS UNDER  
PROVISIONS OF ARTICLE V, SECTION 20,  
OF THE MICHIGAN CONSTITUTION OF 1963**

WHEREAS, Article V, Section 20, of the Michigan Constitution of 1963 states that no appropriation is a mandate to spend, and that the Governor, with the approval of the appropriating committees of the House of Representatives and Senate, shall reduce expenditures authorized by appropriations whenever it appears that actual revenues for a fiscal period will fall below the revenue estimates on which appropriations for that period were based, and that reductions shall be made in accordance with procedures prescribed by law;

WHEREAS, it appears that actual revenues for the fiscal period from October 1, 2002 to September 30, 2003, will fall below the revenue estimates on which appropriations for that period were based, the estimates having been determined by the Legislature in accordance with Article IV, Section 31, of the Michigan Constitution of 1963;

WHEREAS, under provisions of Section 391 of the Management and Budget Act, 1984 PA 431, MCL 18.1391, on the basis of written information from the State Budget Director and the State Treasurer, it appears that actual revenue will fall below such revenue estimates;

WHEREAS, there is an unanticipated loss of funding which the departments and agencies of state government do not expect to obtain or make up during the current fiscal year;

WHEREAS, expenditure reductions totaling \$125,481,146.00 general fund-general purpose and \$19,804,400.00 special purpose funds are necessary;

NOW, THEREFORE, I, Jennifer M. Granholm, Governor of the State of Michigan, pursuant to the authority vested in me by the Michigan Constitution of 1963 and the laws of the State of Michigan, and with the approval of a majority of members of each appropriations committee, do hereby order the following reductions:



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- A. Portions of general fund-general purpose appropriations amounting to \$125,481,146.00 contained in the following public acts are hereby reduced. Where the expenditure reductions of general fund-general purpose appropriations in this order reduce the restricted portions of gross appropriations and sources of financing that will be earned, the amounts to be reduced shall be provided separately to the State Budget Director for approval and entry into the accounts.

<u>Public Act</u>	<u>Department</u>	<u>Reduction Amount</u>
2002 PA 516	Agriculture	1,326,900
2002 PA 528	Attorney General	560,017
2002 PA 518	Capital Outlay	14,715,300
2002 PA 517	Career Development	515,300
2002 PA 528	Civil Rights	408,000
2002 PA 528	Civil Service	480,800
2002 PA 161	Community Colleges	4,788,100
2002 PA 519	Community Health	16,957,288
2002 PA 527	Consumer and Industry Services	2,176,436
2002 PA 524	Corrections	7,861,269
2002 PA 522	Education	1,084,184
2002 PA 520	Environmental Quality	3,568,539
2002 PA 528	Executive Office	252,500
2002 PA 529	Family Independence Agency	26,875,221
2002 PA 144	Higher Education	25,497,600
2002 PA 523	History, Arts and Libraries	1,261,064
2002 PA 528	Management and Budget	3,688,089
2002 PA 517	Michigan Strategic Fund	1,273,100
2002 PA 514	Military and Veterans Affairs	1,539,492
2002 PA 525	Natural Resources	2,199,853
2002 PA 528	State	668,639
2002 PA 526	State Police	5,353,152
2002 PA 528	Treasury	<u>2,430,303</u>
		125,481,146

The Department of Information Technology shall reduce user charges to state agencies by \$10,000,000.00 to reflect reductions in appropriations for information technology services and projects contained in Section B.

- B. The reduction totals for the department and agencies in Section A include the following appropriation items or are predicated upon the following actions:

**1. Department of Agriculture**

Appropriation Number	Item	Reduction Amount
03908	Local conservation districts	97,700
03909	Migrant labor housing	15,000
01420	Rent and building occupancy charges	100,000
02320	Animal health and welfare	60,000
02365	Bovine tuberculosis program	150,000
02540	Consumer protection program	45,000
03120	Environmental stewardship	143,500
02490	Food safety and quality assurance	250,100
02530	Laboratory analysis program	85,000
01210	Management services	65,000
02205	Pesticide and plant pest management	200,600
01220	Agricultural development	10,000
01120	Statistical reporting service	15,000
03940	Marketing and emergency management	30,000
30000	Information technology services and projects	<u>60,000</u>
		1,326,900

**2. Department of Attorney General**

Appropriation Number	Item	Reduction Amount
01040	Attorney general operations	485,317
05000	Prosecuting attorneys coordinating council	16,000

06100	Information technology services and projects	<u>58,700</u>
		560,017

**3. Capital Outlay**

Appropriation Number	Item	Reduction Amount
74775	Major special maintenance and remodeling for department of community health	255,400
74776	Major special maintenance and remodeling for department of corrections	1,061,200
74777	Major special maintenance and remodeling for family independence agency	280,900
74778	Major special maintenance and remodeling for department of management and budget	363,900
74779	Major special maintenance and remodeling for department of state police	130,900
74780	For department of military affairs remodeling and additions and special maintenance projects	623,000
55940	Airport improvement programs	<u>12,000,000</u>
		14,715,300

The amount in Section 1101(5) of 2002 PA 518 is reduced from \$12,000,000.00 to \$0.

**4. Department of Career Development**

Appropriation Number	Item	Reduction Amount
01802	Unclassified salaries	390,000

03001	Administration	11,300
08203	Job training programs subgrantees	10,000
09563	Vocational rehabilitation client services/facilities	67,600
09550	Vocational rehabilitation independent living	<u>36,400</u>
		515,300

**5. Department of Civil Rights**

Appropriation Number	Item	Reduction Amount
01000	Civil rights operations	326,529
02100	Information technology services and projects	<u>81,471</u>
		408,000

**6. Department of Civil Service**

Appropriation Number	Item	Reduction Amount
19100	Civil service operations	298,800
19150	Information technology services and projects	<u>182,000</u>
		480,800

**7. Community Colleges**

Appropriation Number	Item	Reduction Amount
07600	Alpena Community College	79,700
07605	Bay de Noc Community College	76,900
07610	Delta College	222,200
07620	Glen Oaks Community College	37,300
07625	Gogebic Community College	65,500

07630	Grand Rapids Community College	279,500
07635	Henry Ford Community College	340,600
07645	Jackson Community College	188,600
07650	Kalamazoo Valley Community College	192,400
07655	Kellogg Community College	151,200
07660	Kirtland Community College	45,900
07665	Lake Michigan College	81,400
07670	Lansing Community College	483,300
07675	Macomb Community College	515,700
07680	Mid Michigan Community College	68,800
07685	Monroe County Community College	66,900
07690	Montcalm Community College	48,400
07615	C.S. Mott Community College	244,400
07695	Muskegon Community College	139,100
07700	North Central Michigan College	47,100
07705	Northwestern Michigan College	141,900
07710	Oakland Community College	325,300
07715	St. Clair County Community College	109,000
07720	Schoolcraft College	190,900
07725	Southwestern Michigan College	102,500
07730	Washtenaw Community College	194,100
07735	Wayne County Community College	258,400
07740	West Shore Community College	35,700
09020	At-risk student success program	<u>55,400</u>
		4,788,100

The amounts in Section 401 of 2002 PA 161 are reduced as follows:

Alpena Community College	reduced to	\$82,652
Bay de Noc Community College	reduced to	89,928
Delta College	reduced to	105,387
Glen Oaks Community College	reduced to	133,674
Gogebic Community College	reduced to	75,431
Grand Rapids Community College	reduced to	85,841
Henry Ford Community College	reduced to	158,074
Jackson Community College	reduced to	109,157
Kalamazoo Valley Community College	reduced to	112,017
Kellogg Community College	reduced to	151,327
Kirtland Community College	reduced to	163,408
Lake Michigan College	reduced to	180,214
Lansing Community College	reduced to	157,090
Macomb Community College	reduced to	89,157
Mid Michigan Community College	reduced to	134,080
Monroe County Community College	reduced to	96,061
Montcalm Community College	reduced to	67,030
Mott Community College	reduced to	107,209
Muskegon Community College	reduced to	202,562
North Central Michigan College	reduced to	151,211
Northwestern Michigan College	reduced to	124,503
Oakland Community College	reduced to	151,843
St. Clair Community College	reduced to	85,399
Schoolcraft College	reduced to	146,970
Southwestern Michigan College	reduced to	174,549
Washtenaw Community College	reduced to	164,416
Wayne County Community College	reduced to	137,407
West Shore Community College	reduced to	126,109

**8. Department of Community Health**

Appropriation Number	Item	Reduction Amount
14356	Case management services	150,000
01194	Certificate of need program administration	222,900
14330	Children's special health care services administration	350,000
02999	Civil service charges	540,900
02991	CMHSP, purchase of state	18,000

	services contracts	
14230	Community living, children, and families administration	2,500
46511	Community services	225,600
14357	Conveyor contract	22,800
14274	Dental programs	12,500
01191	Departmental administration and management	400,000
15155	Epidemiology administration	78,000
14281	Family planning local agreements	79,600
80000	Information technology services and projects	874,588
16230	Laboratory services	81,500
34010	Medical services administration	520,000
01176	Mental health initiatives for older persons	58,300
01130	Mental health/substance abuse program administration	150,000
11284	Michigan essential health care provider program	28,700
11381	Obesity program	53,300
11290	Palliative and hospice care	136,200
33540	Pharmaceutical services	10,000,000
14289	Prenatal care outreach and service delivery support	625,000
11289	Primary care services	50,200
01161	Protection and advocacy services support	40,900
46514	Senior citizens centers staffing and equipment	21,800
46513	Senior volunteer services	115,200
16773	Sexually transmitted disease control local agreement	23,400



01707	Special maintenance and equipment	612,500
14257	Sudden infant death syndrome program	100,000
11232	Workers compensation program	<u>1,362,900</u>
		16,957,288

**9. Department of Consumer and Industry Services**

Appropriation Number	Item	Reduction Amount
05008	Emergency medical services grants and contracts	15,900
01004	Policy development	35,000
01013	Bureau of hearings	175,000
29001	Office of fire safety	665,200
03001	Administrative services	40,000
06001	AFC, children's welfare and day care licensure	955,000
07010	Manufactured housing and land resources program	10,000
11604	Employment standards enforcement	172,300
05001	Health systems administration	18,200
08002	Employment and labor relations	3,700
09002	Occupational safety and health	5,400
17001	Tax tribunal operations	1,100
11701	Information technology services and projects	<u>79,636</u>
		2,176,436

**10. Department of Corrections**

Appropriation Number	Item	Reduction Amount
19335	Community corrections comprehensive plans and services	624,700
28530	Inmate housing fund	78,000
46002	Alger maximum correctional facility - Munising	147,500
47002	Baraga maximum correctional facility - Baraga	168,400
49002	Chippawa correctional facility - Kincheloe	337,400
50002	Kinross correctional facility - Kincheloe	272,000
51002	Marquette branch prison - Marquette	157,400
54002	Newberry correctional facility - Newberry	156,300
52002	Oaks correctional facility - Eastlake	144,300
55002	Ojibway correctional facility - Marenisco	137,300
56002	Pugsley correctional facility - Kinglsey	149,700
83002	Saginaw correctional facility - Freeland	135,900
53002	Standish maximum correctional facility - Standish	135,900
35002	Cooper Street correctional facility - Jackson	135,900
36002	G. Robert Cotton correctional facility - Jackson	135,800
79002	Gus Harrison correctional facility - Adrian	294,000

78002	Huron Valley correctional facility - Ypsilanti	143,100
89002	Macomb correctional facility - New Haven	164,500
87002	Mound correctional facility - Detroit	135,900
34002	Parnall correctional facility - Jackson	135,800
86002	Ryan correctional facility - Detroit	138,300
82002	Robert Scott correctional facility - Plymouth	142,400
33002	Southern Michigan correctional facility - Jackson	194,700
80002	Thumb correctional facility - Lapeer	135,900
85002	Western Wayne correctional facility - Plymouth	143,200
67002	Bellamy Creek correctional facility - Ionia	135,900
72002	Earnest C. Brooks correctional facility - Muskegon	293,200
48002	Carson City correctional facility - Carson City	292,100
76002	Florence Crane correctional facility - Coldwater	148,800
63002	Deerfield correctional facility - Ionia	138,800
61002	Richard A. Handlon correctional facility - Ionia	135,800
62002	Ionia maximum correctional facility - Ionia	141,400
77002	Lakeland correctional facility - Coldwater	144,300

66002	Muskegon correctional facility - Muskegon	145,300
70002	Pine River correctional facility - St. Louis	141,500
64002	Riverside correctional facility - Ionia	160,900
69002	St. Louis correctional facility - St. Louis	280,400
05083	Information technology services and projects	<u>1,158,569</u>
		7,861,269

**11. Department of Education**

Appropriation Number	Item	Reduction Amount
01403	Unclassified positions	59,800
01404	State board/superintendent operations	565,800
04701	Field services operations	114,300
04801	School excellence operations	181,300
03801	Information technology operations	44,484
01601	Worker's compensation	25,000
01605	Central support	45,900
07501	Government services operations	1,000
07601	Safe schools operations	3,000
07602	Administrative law operations	21,400
07701	Education options operations	<u>22,200</u>
		1,084,184

**12. Department of Environmental Quality**

Appropriation Number	Item	Reduction Amount
04419	Leaking underground storage tank cleanup program	2,897,100
02808	Field permitting and project assistance	57,000
04819	Watershed management and nonpoint source	75,000
04721	Compliance and enforcement	5,000
04325	Technical assistance	700
04620	Air quality programs	5,700
04912	Drinking water	7,200
04903	Laboratory services administration	315,600
01150	Information technology services and projects	<u>205,239</u>
		3,568,539

**13. Executive Office**

Appropriation Number	Item	Reduction Amount
00139	Executive Office	<u>252,500</u>
		252,500

**14. Family Independence Agency**

Appropriation Number	Item	Reduction Amount
11010	Salaries and wages	459,300
11040	Contractual services, supplies, and materials	360,000
11210	Commission for the blind	7,100

11350	Demonstration projects	58,800
12050	Travel	208,800
12080	Payroll taxes and fringe benefits	1,418,300
16100	Information technology services and projects	1,481,586
16250	Data system enhancement	352,235
47290	Child care fund	17,304,400
47400	Juvenile justice operations	171,700
62040	Contractual services, supplies, and materials	314,000
62610	Field staff, salaries and wages	2,830,000
72010	Salaries and wages	187,200
72100	Domestic violence prevention and treatment	50,000
72420	Youth in transition	149,000
72550	Foster care payments	300,000
81010	Salaries and wages	84,600
81450	Employment and training support services	750,000
81500	Legal support contracts	153,800
81550	Wage employment verification reporting	100,000
81700	Training and staff development	<u>134,400</u>
		26,875,221

**15. Higher Education**

Appropriation Number	Item	Reduction Amount
01001	Central Michigan University	1,350,100
01501	Eastern Michigan University	1,314,600
02001	Ferris State University	832,800
02501	Grand Valley State University	901,400

04001	Lake Superior State University	214,000
03001	Michigan State University	4,889,700
03501	Michigan Technological University	828,600
04501	Northern Michigan University	780,200
03201	Oakland University	785,800
05001	Saginaw Valley State University	410,900
05501	University of Michigan - Ann Arbor	5,453,400
05801	University of Michigan - Dearborn	419,900
05701	University of Michigan - Flint	361,000
06501	Wayne State University	3,804,700
06001	Western Michigan University	1,885,200
03301	Agricultural experiment station	552,700
03401	Cooperative extension service	476,700
03101	Japan center for Michigan universities	4,600
07002	Higher education database modernization and conversion	3,800
07350	Select student supportive services	32,600
07352	Michigan college/university partnership program	9,800
07368	Morris Hood, Jr. educator development program	2,500
03518	Grant for Michigan resident dental graduates	75,800
03520	Grant for general degree graduates	92,800
03522	Grant for allied health graduates	<u>14,000</u>
		25,497,600

The amount in Section 401 of 2002 PA 144 is reduced to \$6,133,600.00.

The amount in Section 433 of 2002 PA 144 from the agricultural experiment station funding for project GREEN is reduced to \$3,166,600.00.

The amount in Section 433 of 2002 PA 144 from the cooperative extension service funding for project GREEN is reduced to \$2,808,100.00.

**16. Department of History, Arts and Libraries**

Appropriation Number	Item	Reduction Amount
02002	Arts and cultural grants	307,600
03200	Grant to the Detroit public library	26,900
03150	State aid to libraries	184,400
01100	Management services	81,700
01400	Office of film and television services	5,600
02001	Administration	33,400
07511	Mackinac Island park operation	48,500
07516	Historical facilities system	23,800
04100	Historical administration and services	175,200
04180	Thunder Bay national marine sanctuary and underwater preserve	27,000
03050	Library of Michigan operations	295,500
05000	Information technology services and projects	<u>51,464</u>
		1,261,064



**17. Department of Management and Budget**

Appropriation Number	Item	Reduction Amount
01101	Departmentwide services	325,200
01401	Statewide administrative services	575,700
03801	Statewide support services	60,000
00005	Information technology services and projects	<u>2,727,189</u>
		3,688,089

**18. Michigan Strategic Fund**

Appropriation Number	Item	Reduction Amount
01000	Administration	169,400
01100	Job creation services	803,700
03000	Michigan promotion program	<u>300,000</u>
		1,273,100

**19. Department of Military and Veterans Affairs**

Appropriation Number	Item	Reduction Amount
03500	Grand Rapids veterans' home	959,100
03700	D. J. Jacobetti veterans' home	459,100
01026	Civil air patrol	100,000
03800	Information technology services and projects	<u>21,292</u>
		1,539,492

**20. Department of Natural Resources**

Appropriation Number	Item	Reduction Amount
01101	Finance and operations services	303,800

01345	Building occupancy charges	1,175,100
08914	Information technology services and projects	375,953
02416	State parks	7,700
02132	Forest fire protection	237,300
01103	Office of information and education	<u>100,000</u>
		2,199,853

**21. Department of State**

Appropriation Number	Item	Reduction Amount
14100	Operations	102,900
15100	Operations	4,500
15200	Auto regulations	300
19100	Branch operations	117,100
19200	Central records	54,300
19010	Record administration	2,600
50100	Building occupancy charges/rent	184,900
45500	Information technology services and projects	<u>202,039</u>
		668,639

**22. Department of State Police**

Appropriation Number	Item	Reduction Amount
11010	Executive direction	59,500
51140	Fleet leasing	69,500
16010	Human resources	30,300
15010	Management services	74,800
22010	Training administration	137,600
37400	Communications	254,400

11210	State program planning and administration	4,100
41010	Criminal justice information center division	10,300
41140	Traffic safety	2,300
42010	Laboratory operations	113,700
42220	DNA analysis program	11,800
22210	Standards and training	9,800
22240	Officer's survivor tuition program	200
27010	Fire marshal programs	29,900
28010	Emergency management planning and administration	16,900
28120	Hazardous materials programs	1,300
32010	Uniform services	1,671,200
32170	Security guards	3,400
32500	At-post troopers	687,900
37100	Operational support	61,900
37200	Traffic services	29,400
37300	Aviation program	57,900
34010	Criminal investigations	617,700
34160	Federal antidrug initiatives	14,700
51300	Auto theft prevention	1,700
36220	School bus inspections	97,300
61000	Information technology services and projects	<u>1,283,652</u>
		5,353,152

**23. Department of Treasury**

Appropriation Number	Item	Reduction Amount
02401	Revenue	276,700

01901	Administrative services	343,600
01801	Financial services	300,000
09470	Tax increment finance authority payments	500,100
01201	Information technology services and projects	<u>1,009,903</u>
		2,430,303

C. Portions of appropriations financed with special purpose revenue amounting to \$19,804,400.00 contained in the following public acts are reduced as follows:

<u>Public Act</u>	<u>Department</u>	<u>Reduction Amount</u>
2002 PA 517	Career Development	2,000,000
2002 PA 161	Community Colleges	1,300,000
2002 PA 529	Family Independence Agency	3,904,400
2002 PA 144	Higher Education	100,000
2002 PA 517	Michigan Strategic Fund	<u>12,500,000</u>
		19,804,400

D. The reduction totals for the departments and agencies in Section C include the following appropriation items or are predicated upon the following actions:

**1. Career Development - Michigan Tobacco Settlement Trust Fund**

Appropriation Number	Item	Reduction Amount
08221	Council of Michigan foundations	2,000,000

**2. Community Colleges - Michigan Merit Award Trust Fund**

Appropriation Number	Item	Reduction Amount
03550	Postsecondary access student scholarship program	1,300,000

The amount in Section 404 of 2002 PA 161 is reduced to \$700,000.00.

**3. Family Independence Agency - Temporary Assistance for Needy Families Federal Funds**

Appropriation Number	Item	Reduction Amount
32550	Day care services	500,000
72260	Family preservation and prevention services	3,133,700
72400	Teenage parent counseling	208,200
72760	Adoption support services	25,000
81450	Employment and training support services	<u>37,500</u>
		3,904,400

**4. Higher Education - Michigan Tobacco Settlement Trust Fund**

Appropriation Number	Item	Reduction Amount
07010	Rare isotope accelerator	100,000

The amount in Section 437 of 2002 PA 144 is reduced to \$1,900,000.00.

**5. Michigan Strategic Fund - Michigan Tobacco Settlement Trust Fund**

Appropriation Number	Item	Reduction Amount
03020	Life sciences corridor initiative	12,500,000

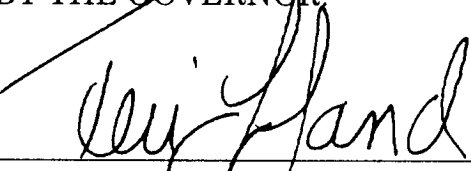
The State Budget Director is authorized to take any and all actions necessary to implement the provisions of this Order to reduce expenditures authorized by appropriations as specified above for the fiscal year beginning on October 1, 2002 and ending on September 30, 2003.

This Order is effective upon approval by the appropriations committees of the House of Representatives and Senate, as provided in Section 391 of the Management and Budget Act, 1984 PA 431, MCL 18.1391.

Given under my hand and the Great Seal of  
the State of Michigan this 19<sup>th</sup> day of  
February, 2003.



  
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JENNIFER M. GRANHOLM  
GOVERNOR

BY THE GOVERNOR:  
  
\_\_\_\_\_  
SECRETARY OF STATE

FILED WITH SECRETARY OF STATE  
ON 2.19.03 AT 9:25AM