



STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

EXECUTIVE ORDER
No. 2015 – 5

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

WHEREAS, under Section 20 of Article V of the Michigan Constitution of 1963, the Governor, with the approval of the appropriating committees of the House of Representatives and the 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 the reductions shall be made in accordance with procedures prescribed by law; and

WHEREAS, it appears that actual revenues for the fiscal period beginning on October 1, 2014 and ending on September 30, 2015, will fall below the revenue estimates on which appropriations for that period were based, the estimates having been determined by the Legislature as required under Section 31 of Article IV of the Michigan Constitution of 1963; and

WHEREAS, pursuant to 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 revenues will fall below such revenue estimates; and

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

WHEREAS, expenditure reductions totaling \$102,887,900.00 general fund-general purpose and \$3,500,000.00 special purpose funds are necessary;

NOW, THEREFORE, I, Richard D. Snyder, Governor of the state of Michigan, by virtue of the power and authority vested in the Governor under the Michigan Constitution of 1963 and Michigan law, and with the approval of a majority of members of each appropriations committee, order the following reductions in expenditures:

A. Portions of general fund-general purpose expenditures authorized by appropriations amounting to \$102,887,900.00 contained in the following articles of 2014 PA 252 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>2014 PA 252</u>	<u>Department</u>	<u>Reduction Amount</u>
Article I	Agriculture	\$600,000
Article IV	Community Health	16,550,000
Article V	Corrections	17,800,000
Article VI	Education	5,814,000
Article VII	Environmental Quality	3,400,000
Article X	Human Services	15,492,800
Article XIII	Licensing and Regulatory Affairs	200,000
Article XV	Natural Resources	1,500,000
Article XVI	State Police	23,331,100
Article VIII	Technology, Management, and Budget	15,500,000
Article VIII	Treasury	<u>2,700,000</u>
	TOTAL	\$102,887,900

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

1. Department of Agriculture

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
01079	Food and agriculture industry growth initiative	<u>600,000</u>
		600,000

2. Department of Community Health

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
01130	Behavioral health program administration	300,000
11100	Pay for success contracts	1,500,000
11200	Health and wellness initiatives	1,500,000
11374	Injury control intervention project	350,000
12263	Essential local public health services	1,500,000

14241	Mental health commission recommendations	2,900,000
33500	Hospital services and therapy	7,000,000
33550	Health plan services	1,500,000
		<u>16,550,000</u>

The amount in Article IV, Section 1866(1) is reduced to \$10,000,000.00.

3. Department of Corrections

Appropriation Number	Item	Reduction Amount
01098	Prisoner re-entry local service providers	500,000
03112	Worker's compensation	1,500,000
23322	Special alternative incarceration program (Camp Cassidy Lake)	228,000
24300	Electronic monitoring center	3,000,000
28531	County jail reimbursement program	1,250,000
29005	Education program	500,000
29511	Prison food service	1,000,000
29512	Transportation	1,000,000
30522	Southern region administration and support	645,000
32002	Charles E. Egeler correctional facility – Jackson	606,000
34002	Parnall correctional facility – Jackson	304,000
35002	Cooper street correctional facility – Jackson	228,000
46002	Alger correctional facility – Munising	568,000
47002	Baraga correctional facility – Baraga	228,000
48002	Carson City correctional facility – Carson City	304,000
49002	Chippewa correctional facility – Kincheloe	1,500,000
51002	Marquette branch prison – Marquette	304,000

52002	Oaks correctional facility – Eastlake	379,000
67002	Bellamy Creek correctional facility – Ionia	454,000
69002	St. Louis correctional facility – St. Louis	531,000
70002	Central Michigan correctional facility – St. Louis	228,000
72002	Earnest C. Brooks correctional facility – Muskegon	304,000
74002	Michigan reformatory – Ionia	151,000
75002	Womens Huron Valley correctional complex – Ypsilanti	607,000
79002	Gus Harrison correctional facility – Adrian	304,000
80002	Thumb correctional facility – Lapeer	304,000
83002	Saginaw correctional facility – Freeland	228,000
84002	Woodland correctional facility – Whitmore Lake	417,000
89002	Macomb correctional facility – New Haven	228,000
		17,800,000

4. Department of Education

Appropriation Number	Item	Reduction Amount
05104	Child development and care public assistance	2,400,000
06103	Educator evaluations and assessments phase-in operations	3,414,000
		5,814,000

5. Department of Environmental Quality

Appropriation Number	Item	Reduction Amount
06051	Water pollution control and drinking water revolving fund	2,750,000
07010	Electronic document management	650,000
		<hr/>
		3,400,000

6. Department of Human Services

Appropriation Number	Item	Reduction Amount
12080	Payroll taxes and fringe benefits	10,000
16150	Direct agency charges	2,750,000
32640	Emergency services local office allocations	559,300
47600	W.J. Maxey training school	400,000
47830	In-home community care	600,000
47850	Juvenile justice vision 20/20	1,000,000
62610	Field staff, salaries and wages	94,200
62620	Healthy Michigan plan administration	2,181,900
74350	Child welfare institute	50,000
74750	Adoption subsidies	6,547,400
81520	Michigan rehabilitation services	1,300,000
		<hr/>
		15,492,800

The amount in Article X, Section 587 (1) of 2014 PA 252 is reduced to \$650,000.00.

The amount in Article X, Section 703 (1) of 2014 PA 252 is reduced to \$0.00.

7. Department of Licensing and Regulatory Affairs

Appropriation Number	Item	Reduction Amount
18330	Health systems regulation	100,000

18600	Health professions regulation	100,000
		<hr/> 200,000

8. Department of Natural Resources

Appropriation Number	Item	Reduction Amount
01730	Michigan historical center	50,000
02411	Forest recreation and trails	150,000
02511	Mackinac Island state park operations	50,000
06019	Nonmotorized trail development and maintenance grants	1,000,000
24046	State parks repair and maintenance	250,000
		<hr/> 1,500,000

9. Department of State Police

Appropriation Number	Item	Reduction Amount
28010	Emergency management and homeland security	500,000
28190	Disaster assistance	16,000,000
28600	Local public safety initiative	500,000
32170	Capitol complex security	294,000
32500	General law enforcement and traffic safety	2,827,100
36010	Commercial vehicle enforcement	3,210,000
		<hr/> 23,331,100

10. Department of Technology, Management, and Budget

Appropriation Number	Item	Reduction Amount
00008	Homeland security initiative/cyber security	1,000,000

00010	General government and public safety information technology investment projects	2,500,000
00100	Michigan public safety communications system	3,500,000
20142	Regional prosperity grants	500,000
20151	Litigation fund	2,000,000
20153	Office of urban initiatives	1,000,000
77081	Enterprisewide special maintenance for state facilities	5,000,000
		15,500,000

11. Department of Treasury

Appropriation Number	Item	Reduction Amount
02410	Tax and economic policy	600,000
02460	Tobacco tax enforcement	100,000
09316	Senior citizen cooperative housing tax exemption program	2,000,000
		2,700,000

C. Portions of appropriations financed with special purpose revenue amounting to \$3,500,000.00 contained in the following public acts are reduced as follows:

Public Act	Department	Reduction Amount
2012 PA 200	Technology, Management, and Budget	\$1,500,000
2013 PA 59	Technology, Management, and Budget	<u>2,000,000</u>
	TOTAL	\$3,500,000

D. The reduction totals for the department in Section C include the following appropriation items:

Department of Technology, Management, and Budget – Information, Communications and Technology Innovation Fund


Appropriation Number	Item	Reduction Amount
43825	Information, communications and technology innovation fund	3,500,000
		<hr/> 3,500,000

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, 2014 and ending on September 30, 2015.

This Order is effective upon approval by the appropriations committees of the House of Representatives and the Senate, as provided under Section 20 of Article V of the Michigan Constitution of 1963 and 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 11th day of February, in the Year of our Lord, Two Thousand Fifteen.


RICHARD D. SNYDER
GOVERNOR

BY THE GOVERNOR:


SECRETARY OF STATE

FILED WITH SECRETARY OF STATE
ON 2/11/15 AT 10:18 AM