EXECUTIVE ORDER 2008-21
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		$133,952,600
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Corrections	10	$1,800,000
Higher Education	10	10,000,000
		$11,800,000
Executive Order Total		$145,752,600

JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

JOHN D. CHERRY, JR.
LT. GOVERNOR

EXECUTIVE ORDER
No. 2008 – 21

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;

WHEREAS, it appears that actual revenues for the fiscal period beginning on October 1, 2008 and ending on September 30, 2009, 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;

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 revenue will fall below such revenue estimates;

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;

WHEREAS, expenditure reductions totaling $133,952,600.00 general fund-general purpose and $11,800,000.00 special purpose funds are necessary;

NOW, THEREFORE, I, Jennifer M. Granholm, 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:

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A. Portions of general fund-general purpose expenditures authorized by appropriations amounting to $133,952,600.00 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.

Public Act	Department	Reduction Amount
2008 PA 253	Agriculture	$487,400
2008 PA 261	Attorney General	482,300
2008 PA 261	Civil Rights	186,300
2008 PA 246	Community Health	37,857,100
2008 PA 245	Corrections	26,404,000
2008 PA 212	Education	113,300
2008 PA 247	Environmental Quality	667,000
2008 PA 254	History, Arts, and Libraries	322,800
2008 PA 248	Human Services	63,261,000
2008 PA 251	Labor and Economic Growth	856,500
2008 PA 261	Management and Budget	1,026,300
2008 PA 214	Military and Veterans Affairs	632,300
2008 PA 252	Natural Resources	159,400
2008 PA 261	State	398,000
2008 PA 261	Treasury	1,098,900
	TOTAL	$133,952,600

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

1. Department of Agriculture

Appropriation Number	Item	Reduction Amount
01420	Rent and building occupancy charges	240,000
02205	Pesticide and plant pest management	100,000
03120	Environmental stewardship	100,000
03250	Technical assistance match	47,400
		487,400

2. Department of Attorney General

Appropriation Number	Item	Reduction Amount
01040	Attorney general operations	482,300
		482,300

3. Department of Civil Rights

Appropriation Number	Item	Reduction Amount
01000	Civil rights operations	156,300
02100	Information technology services and projects	30,000
		186,300

4. Department of Community Health

Appropriation Number	Item	Reduction Amount
01130	Mental health/substance abuse program administration	300,000
01191	Departmental administration and management	200,000
02965	Medicaid mental health services	299,200
04000	Center for forensic psychiatry	1,000,000
14230	Family, maternal, and children's health services administration	158,000
14355	Medical care and treatment	9,086,100
16230	Laboratory services	150,000
18330	Health systems administration	300,000
33500	Hospital services and therapy	3,123,500
33540	Pharmaceutical services	233,900
33550	Health plan services	3,258,900
33630	Single point of entry	1,000,000

33680	Long-term care services	18,340,900
34010	Medical services administration	406,600
		37,857,100

5. Department of Corrections

Appropriation Number	Item	Reduction Amount
02072	New custody staff training	3,611,000
05083	Information technology services and projects	61,800
17520	Southwestern region clinical complexes	2,379,000
29005	MPRI education program	716,900
29511	Prison food service	3,158,500
29512	Transportation	111,100
74002	Michigan reformatory – Ionia	10,555,500
77002	Lakeland correctional facility – Coldwater	5,810,200
		26,404,000

6. Department of Education

Appropriation Number	Item	Reduction Amount
01605	Central support	37,500
01610	Terminal leave payments	15,000
01623	Building occupancy charges – property management services	17,300
07501	School finance and school law operations	43,500
		113,300

7. Department of Environmental Quality

Appropriation Number	Item	Reduction Amount
01001	Executive direction	50,000
01093	Unclassified salaries	50,000
02808	Field permitting and project assistance	87,500
03326	Mineral wells management	1,500
04320	Pollution prevention and technical assistance	24,600
04541	Contaminated site investigation, cleanup, and revitalization	31,700
04620	Air quality programs	130,000
04706	Hazardous waste management program	18,000
04709	Radiological protection program	16,000
04715	Underground storage tank program	14,000
04718	Aboveground storage tank program	5,000
04726	Solid waste management program`	9,500
04918	Water withdrawal assessment program	166,000
06051	Water pollution control and drinking water revolving fund	63,200
		667,000

8. Department of History, Arts, and Libraries

Appropriation Number	Item	Reduction Amount
01100	Management services	29,100
03050	Library of Michigan operations	202,900
04100	Historical administration and services	68,600

04180	Thunder Bay national marine sanctuary and underwater preserve	2,500
07511	Mackinac Island park operation	17,400
07516	Historical facilities system	2,300
		322,800

9. Department of Human Services

Appropriation Number	Item	Reduction Amount
11040	Contractual services, supplies, and materials – Executive Operations	100,000
11400	Electronic benefit transfer EBT	100,000
12080	Payroll taxes and fringe benefits	7,494,100
15100	AFC, children's welfare and day care licensure	3,300,000
16100	Information technology services and projects	102,300
16500	Child support automation	170,000
32500	Family independence program	23,287,200
32550	Day care services	12,113,400
47610	Medium security juvenile services	1,000,000
62610	Field staff, salaries and wages	10,647,400
72750	Adoption subsidies	4,746,600
81450	Employment and training support services	200,000
		63,261,000

10. Department of Labor and Economic Growth

Appropriation Number	Item	Reduction Amount
06000	Workforce programs administration	150,000
11601	Administration	600,000

11603	Board of magistrates and appellate commission	31,500
27010	Fire marshal program	15,000
27120	Fire fighters training council	30,000
27130	Fire safety program	30,000
		856,500

11. Department of Management and Budget

Appropriation Number	Item	Reduction Amount
00005	Information technology services and projects (Department of Management and Budget)	207,200
12000	Administrative services	3,800
13000	Budget and financial management	132,200
14000	Office of the state employer	22,600
16000	Business support services	74,900
19150	Information technology services and projects (Civil Service Commission)	46,100
19300	Executive direction	262,500
19900	Human resources operations	237,000
		986,300

The Department of Management and Budget shall reduce building occupancy general fund expenditures by $40,000.00. The State Budget Director is authorized to take any and all actions necessary to properly record expenditure reductions as part of the financial transactions for the fiscal year ending September 30, 2009.

12. Department of Military and Veterans Affairs

Appropriation Number	Item	Reduction Amount
01011	Headquarters and armories	75,000
02011	Military training sites and support facilities	57,800
03011	Departmentwide accounts	52,500
03500	Grand Rapids veterans' home	319,100
03700	D. J. Jacobetti veterans' home	100,600
03800	Information technology services and projects	200
05525	Veterans' affairs directorate administration	27,100
		632,300

13. Department of Natural Resources

Appropriation Number	Item	Reduction Amount
01001	Executive direction	10,200
01005	Communications	6,600
01092	Commission	500
01093	Unclassified salaries	1,300
01105	Internal audit services	600
01106	Budget and support services	3,200
01107	Financial services	4,100
01108	Grants management	3,600
02020	Land and facilities	6,900
02129	Cooperative resource programs	14,000
02132	Wildfire protection	50,100
02207	Natural resources heritage	15,100

02302	Water withdrawal assessment program	28,100
03116	General law enforcement	15,100
		159,400

14. Department of State

Appropriation Number	Item	Reduction Amount
10000	Operations – Executive direction	3,800
14100	Operations – Department services	52,400
15100	Operations – Regulatory services	40,600
19100	Branch operations	183,700
19300	Central operations	113,800
45500	Information technology services and projects	3,700
		398,000

15. Department of Treasury

Appropriation Number	Item	Reduction Amount
01201	Treasury operations information technology services and projects	13,400
01308	Rent and building occupancy charges – property management services	250,000
03010	Economic development job training grants (Michigan Strategic Fund)	447,000
09517	Renaissance zone reimbursement	388,500
		1,098,900

C. Portions of appropriations financed with special purpose revenue amounting to $11,800,000.00 contained in the following public acts are reduced as follows:

Public Act	Department	Reduction Amount
2008 PA 245	Corrections	$1,800,000
2008 PA 213	Higher Education	10,000,000
	TOTAL	11,800,000

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. Department of Corrections – Trooper Recruit School Fund

Appropriation Number	Item	Reduction Amount
29000	Trooper recruit school fund	1,800,000
		1,800,000

The amount in Section 926(4) of 2008 PA 245 is reduced to $0.00.

2. Higher Education – Michigan Merit Award Trust Fund

Appropriation Number	Item	Reduction Amount
80100	Michigan promise grant program	10,000,000
		10,000,000

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, 2008 and ending on September 30, 2009.

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 10th day of December, in the year of our Lord, two thousand and eight.

JENNIFER M. GRANHOLM
GOVERNOR

BY THE GOVERNOR:

SECRETARY OF STATE

FILED WITH SECRETARY OF STATE

ON 12-10-08 **AT** 9:42 Am