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Senate Bill 1374 (as introduced 6-12-08)
Sponsor: Senator Buzz Thomas
Committee: Finance

Date Completed: 6-19-08

CONTENT

The bill would amend the History, Arts, and Libraries Act to create the "History, Arts, and Libraries Fund" in the Department of History, Arts, and Libraries and allow money in the Fund to be spent only to fund grants administered by the Michigan Council for Arts and Cultural Affairs.

The Department would have to administer the Fund and the State Treasurer would have to direct its investment. The Department would have to credit to the Fund all amounts appropriated to it and any money received as contributions for purposes under the Act, including money credited to the Fund pursuant to Section 435 of the Income Tax Act, any interest and earnings accruing from the saving and investment of that money, and any other appropriations, money, or other things of value received by the Fund. Money appropriated or money received as a contribution to the Fund would be available for disbursement upon appropriation and money in the Fund at the close of the year would remain in the Fund and could not lapse to the General Fund.

By November 1 of each year, the Department would have to provide the Senate and House of Representatives Appropriations Subcommittees on History, Arts, and Libraries with a report of all revenue to and expenditures from the Fund. The report would have to include an estimated Fund balance for the fiscal year.

The bill is tie-barred to Senate Bill 1373, which would amend Section 435 of the Income Tax Act to add the History, Arts, and Libraries Fund to the funds listed on the schedule of contribution designations (check-offs) included with a taxpayer's income tax return.

MCL 399.702 et al.

Legislative Analyst: Craig Laurie

FISCAL IMPACT

The bill would create the History, Arts, and Libraries Fund in a statute; currently, it is created in the boilerplate language of the annual appropriation bill for the Department. This Fund receives revenue from various sources including application fees for grant programs, revenue from the museum stores, and fees associated with the historic preservation tax credit. In the FY 2006-07 HAL Fund report, revenue to the Fund totaled \$1.1 million, which combined with \$829,500 carryforward, brought the balance in the Fund to \$1.9 million. Expenditures from this Fund are made for the programs in which the funds are collected.

Fiscal Analyst: Elizabeth Pratt
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