



Background Briefing

DEPARTMENT OF STATE

Benjamin Gielczyk, Fiscal Analyst

January 2010

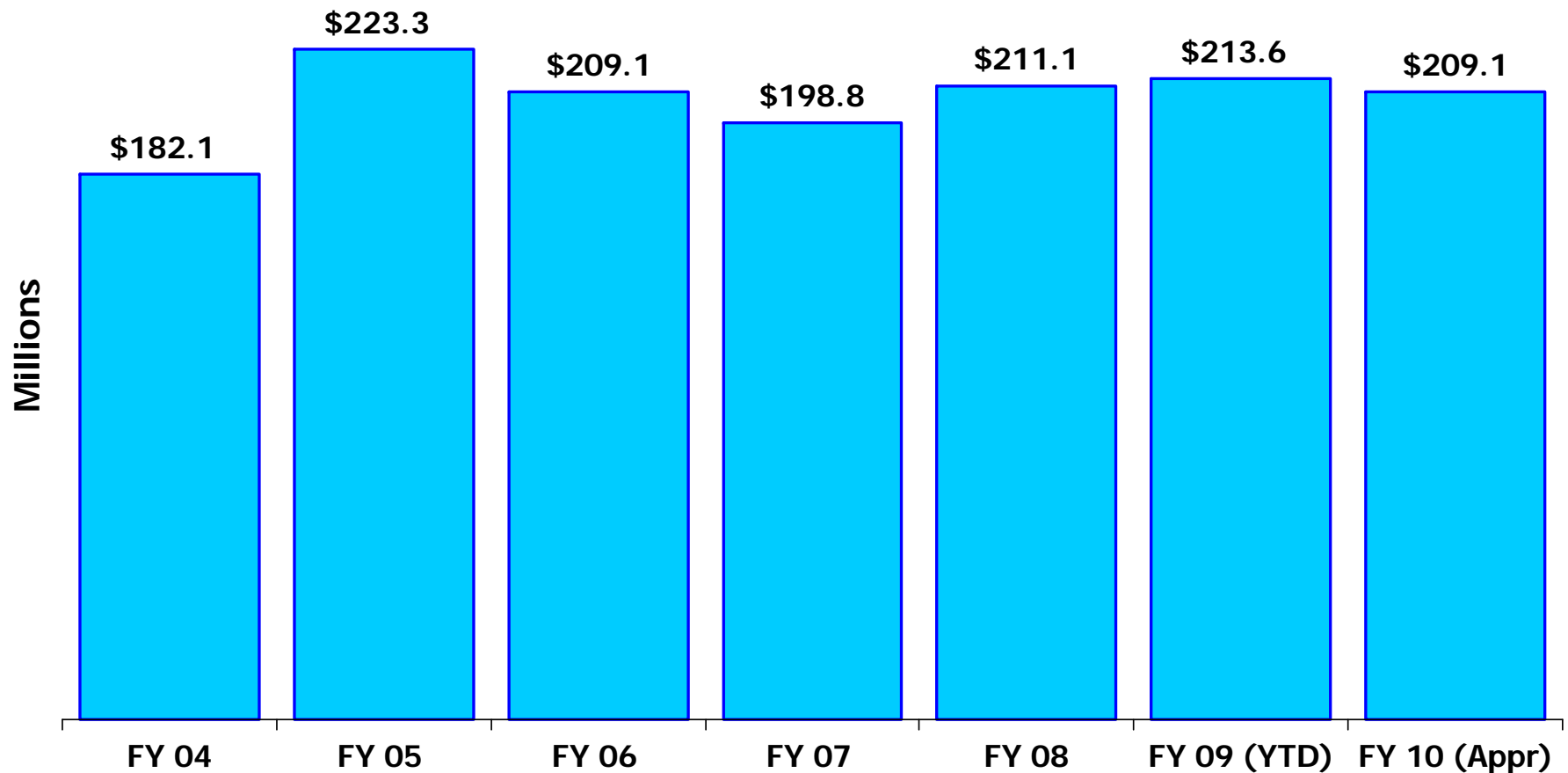
The fiscal information in this background briefing is based on data through January 1, 2010.

Department of State

- **Implements policies of the Secretary of State, an elected official who serves a four-year term of office**
- **Administers programs in four major areas:**
 - ***Motor vehicle transactions:* license drivers and title and register automobiles, watercraft, and recreational vehicles**
 - ***Traffic safety:* test drivers for ability and suspend license privileges when laws are broken or incompetence is judged**
 - ***Consumer protection:* inspect, license, and regulate automobile dealers and repair facilities**
 - ***Regulate/administer state's electoral process:* train local election officials and monitor campaign finance**

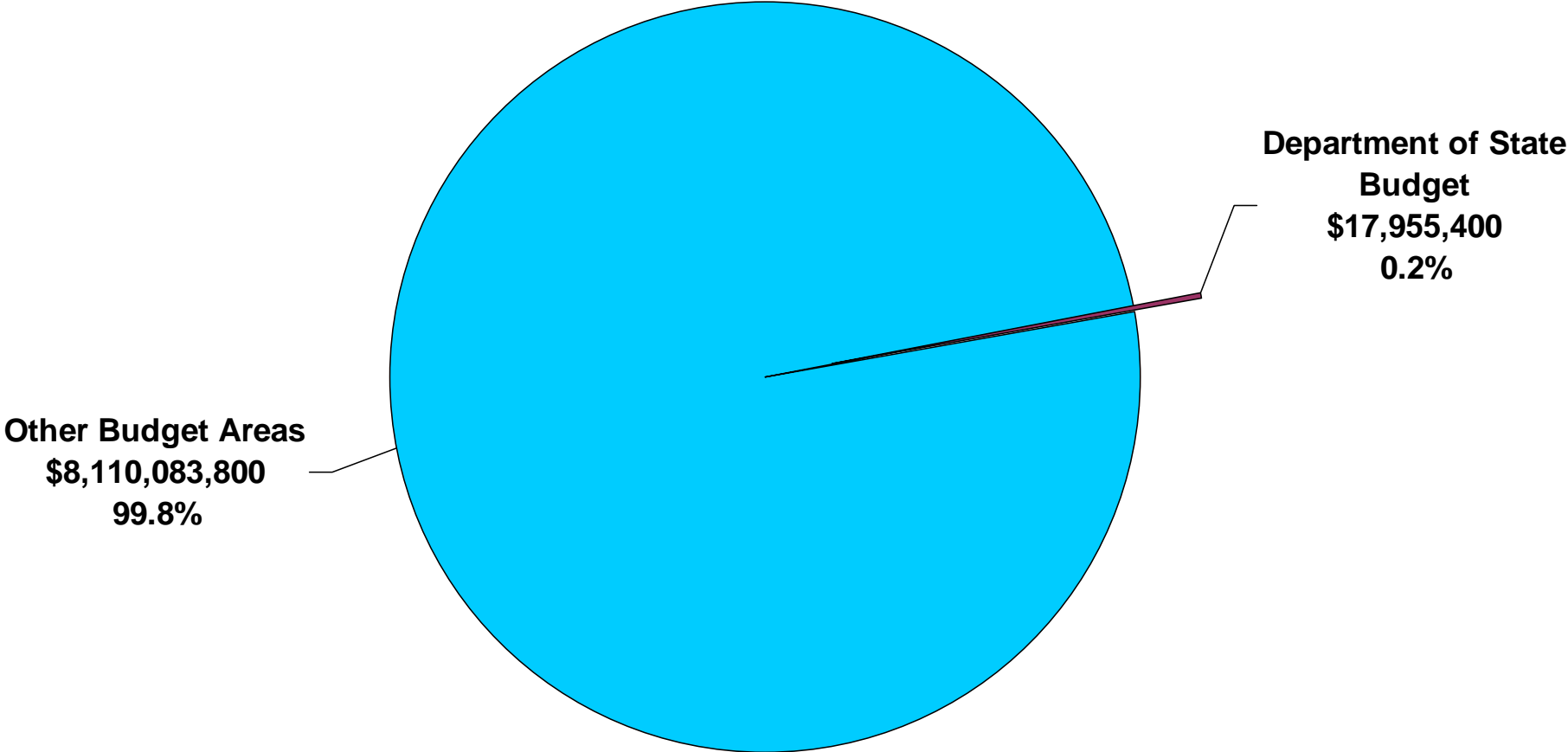
Department of State Budget

Spending increases primarily due to technology enhancements; large increase in FY 2004-05 due to federal Help America Vote Act grant funding; decreases due to budget reductions.



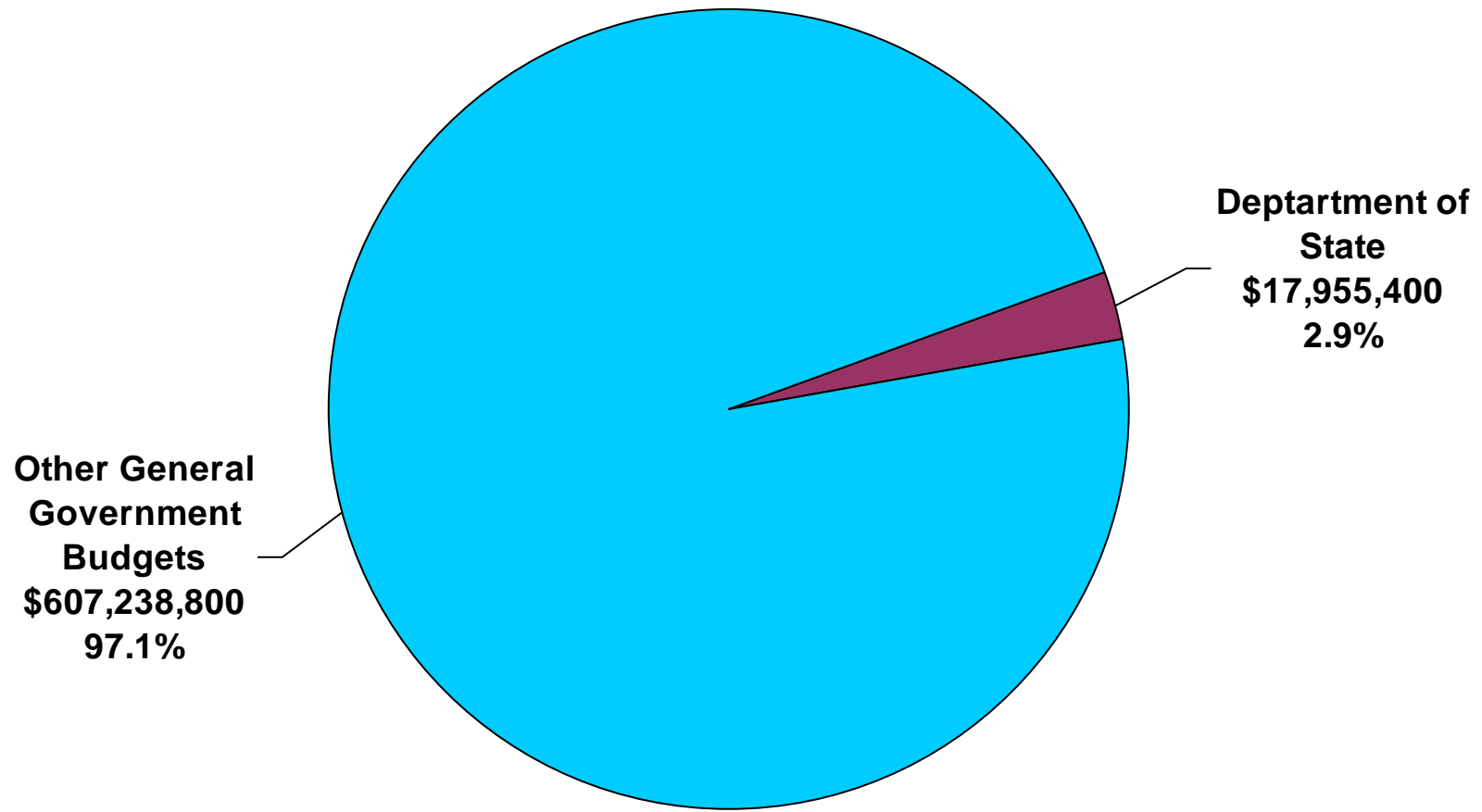
Department of State Share of State GF/GP

FY 2009-10 Total State GF/GP = \$8,128,039,200



Department of State Share of General Government GF/GP

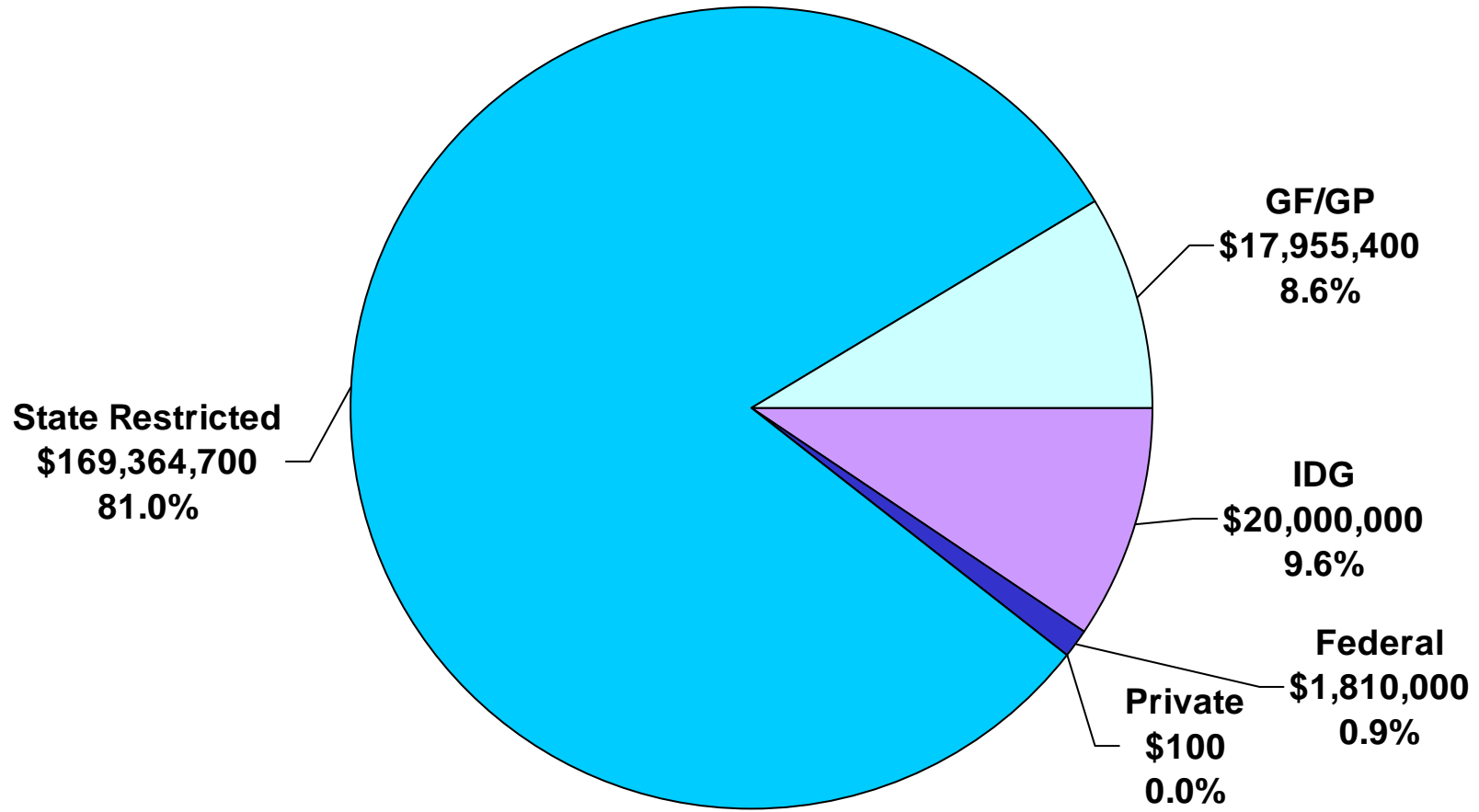
FY 2009-10 Total = \$625,194,200



SOURCES OF FUNDING

Department of State Appropriations by Revenue Source

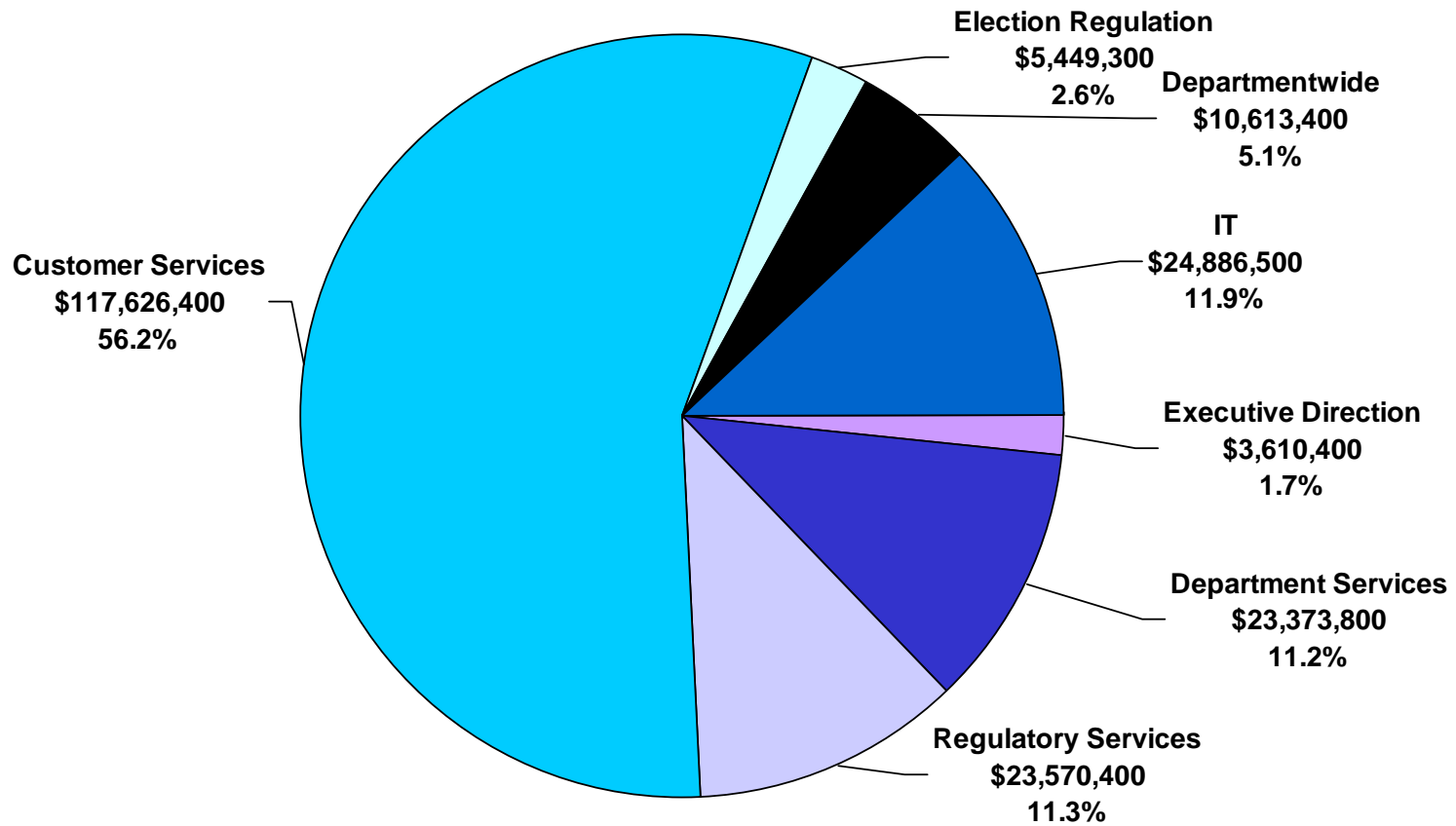
FY 2009-10 Total = \$209,130,200



PROGRAMS

FY 2009-10 Department of State Program Spending

FY 2009-10 Total = \$209,130,200



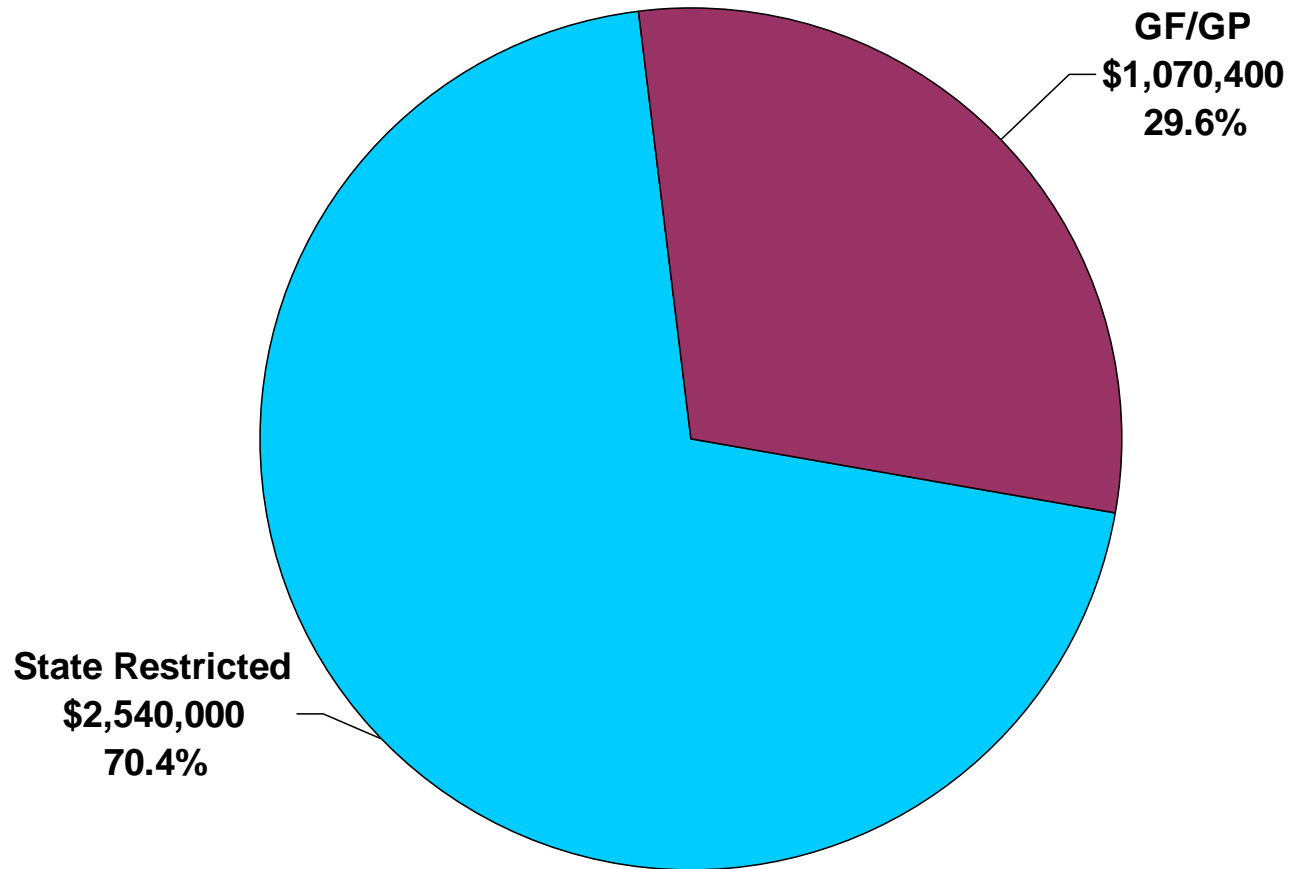
Executive Direction

- **Supports activities of:**
 - **Secretary of State**
 - **Office of Government Affairs**
 - **Office of Communications**
 - **Office of Public Affairs**
 - **Office of External Affairs**
 - **Southeastern Michigan Executive Office**

- **Executive staff oversees Department administration including policy formulation and review, program direction, monitoring program execution, and administrative decision-making**

Executive Direction Appropriations by Revenue Source

FY 2009-10 Total = \$3,610,400



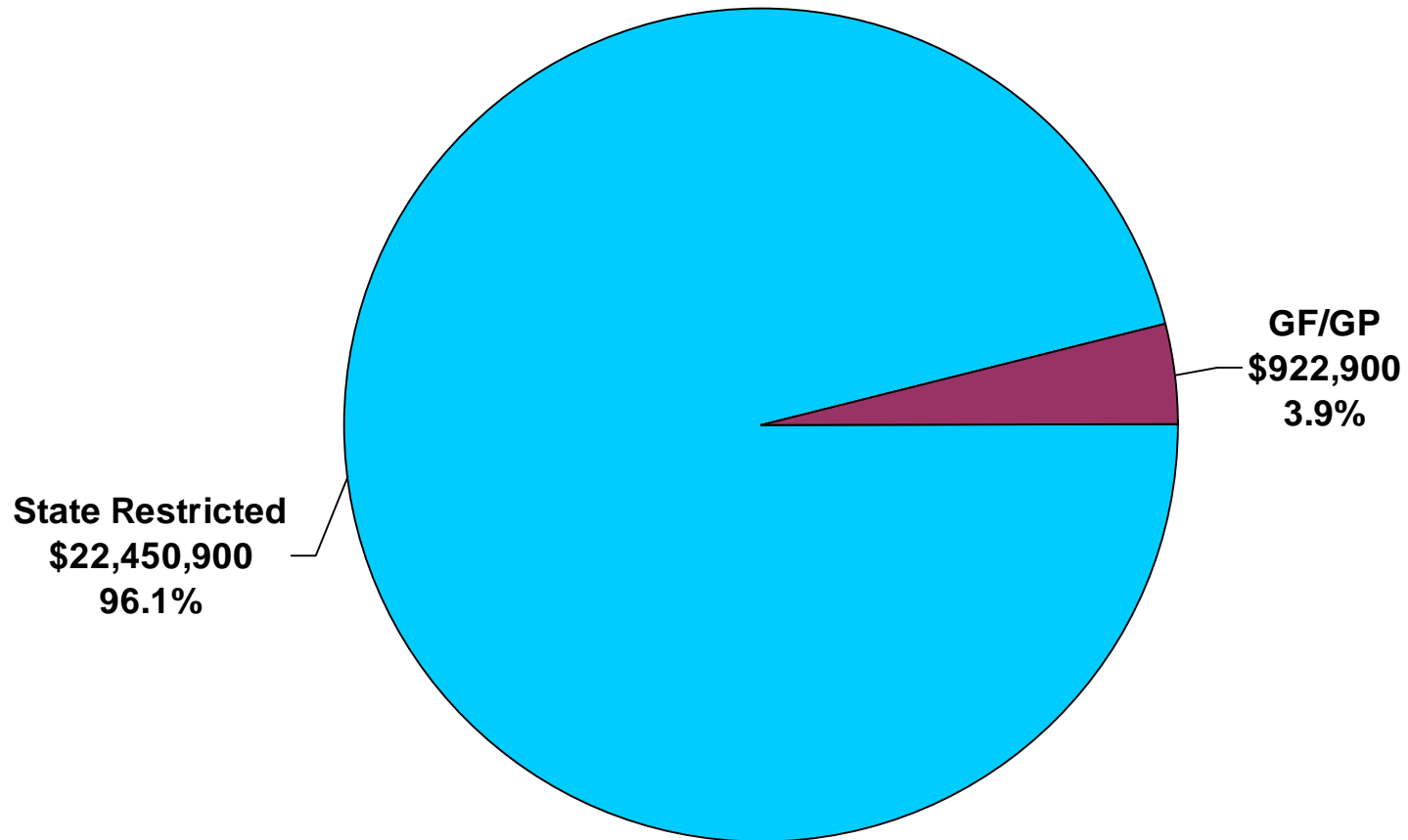
Department Services

- **Administrative divisions perform daily Department operations**
 - **Financial Services**
 - **Occupancy Services**
 - **Purchasing Services**
 - **Human Resources Services**

- **Assigned Claims Facility provides no-fault insurance benefits to uninsured motorists and receives claims for bodily injury benefits from individuals injured by uninsured motorists who have no insurance themselves**

Department Services Appropriations by Revenue Source

FY 2009-10 Total = \$23,373,800



Regulatory Services

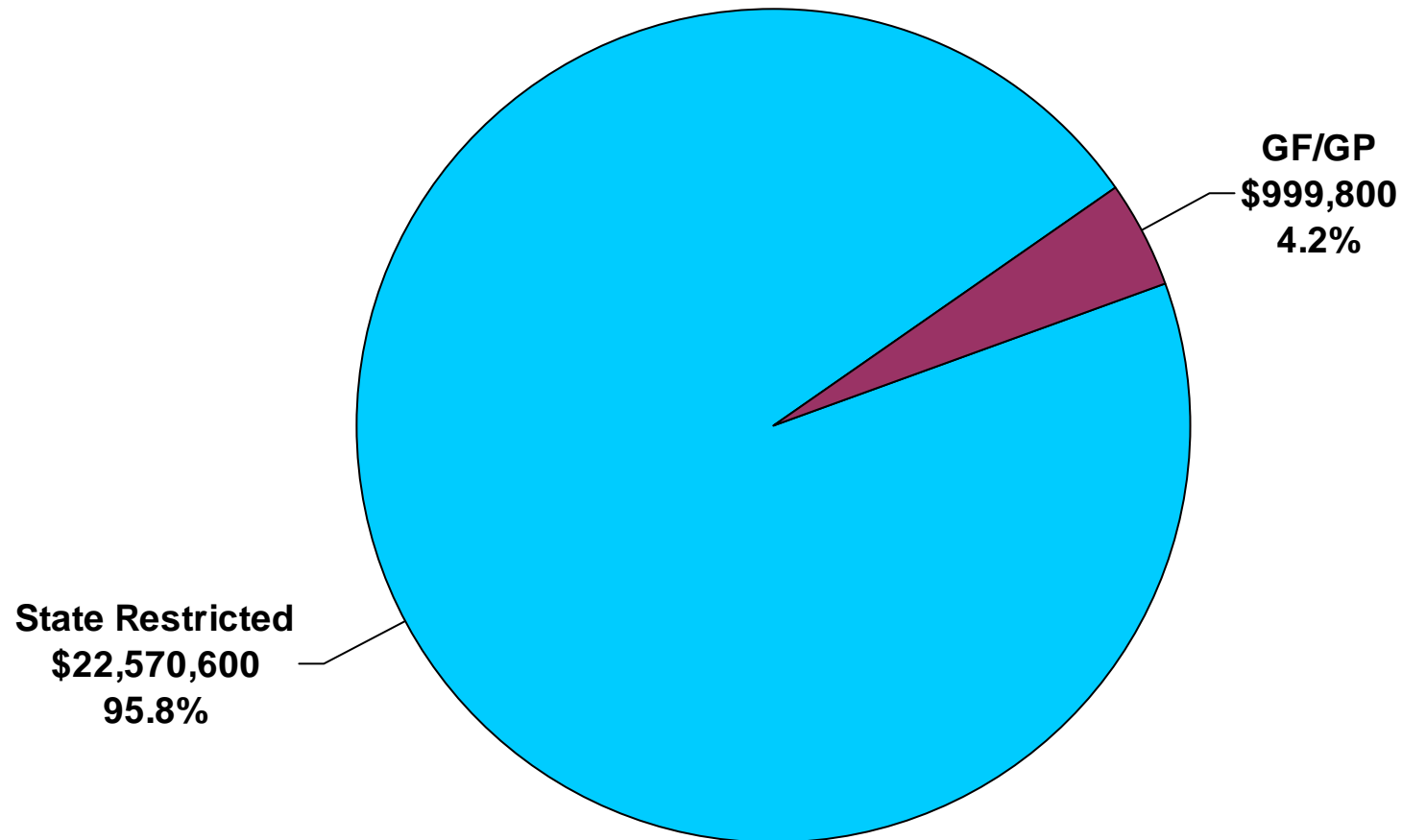
- **Legal and Regulatory Services Administration**
 - **Conducts regulatory appeal hearings**
 - **Acts as liaisons on legal matters with Attorney General's office, county prosecutors, and all affected customers**
 - **Provides advice and counsel to Department to ensure compliance with administrative procedures**
 - **Drafts rules for administrative rules process**
 - **Performs periodic audits of all department financial operations**
 - **Detects and prevents fraud in driver and vehicle licensing**
 - **Inspects assembled vehicles**
 - **Conducts training seminars for law enforcement agencies**
 - **Serves as state's liaison to National Crime Information Center for reporting auto-related crimes**

Regulatory Services

- **Office of the Great Seal**
 - **Keeps the state's official Great Seal and affix it to all official documents**
 - **Appoints all notary publics**
 - **Processes gubernatorial extraditions and warrants**
 - **Serves as repository for official municipal incorporations and boundary changes, executive orders and appointments, officials' oaths of office, deeds to state-owned lands, public acts and administrative rules**
- **County clerk education and training**
- **Motorcycle Safety Education and Grant Program**

Regulatory Services Appropriations by Revenue Source

FY 2009-10 Total = \$23,570,400



Customer Delivery Services

- **Operates 145 Secretary of State branch offices that issue drivers' licenses, process automobile and recreation vehicle titles and registrations, offer voter registration services, conduct traffic safety programs**
- **Bureau of Driver and Vehicle Records**
Process requests for driver and vehicle records; maintain/stores driver and vehicle records; maintain violation, suspension, and restriction records; maintain records of financing statements used to protect a security interest in collateral
- **Uniform Commercial Code**
Govern commercial transactions covering sales, negotiable instruments, bank deposits, collections, and investment securities; requires Department to file and search secured transaction documents

Customer Delivery Services

- **Office of Customer Service**
 - Process mailed applications for computer-prepared registrations
 - Scan forms to update system information
 - Issue new tabs for registrations

- **Oversee manufacturing and issuing of license plates**
 - Standard license plates
 - Specialty and University license plates
 - Commemorative license plates
 - Olympic Center plates

- **Administer Organ Donor Program**
 - Collect and transfer organ donation information from driver license and personal identification card applicants to a third party
 - Produce pamphlets which explain the program and encourage people to become donors

Fund-Raising License Plates

- **Motorists pay \$35 in addition to the annual registration fee**
 - \$10 for administration (plate production/distribution)
 - \$25 donated to the sponsoring cause
 - Annual renewal is \$10 (donated to the sponsoring cause)

- **Specialty License Plates:**

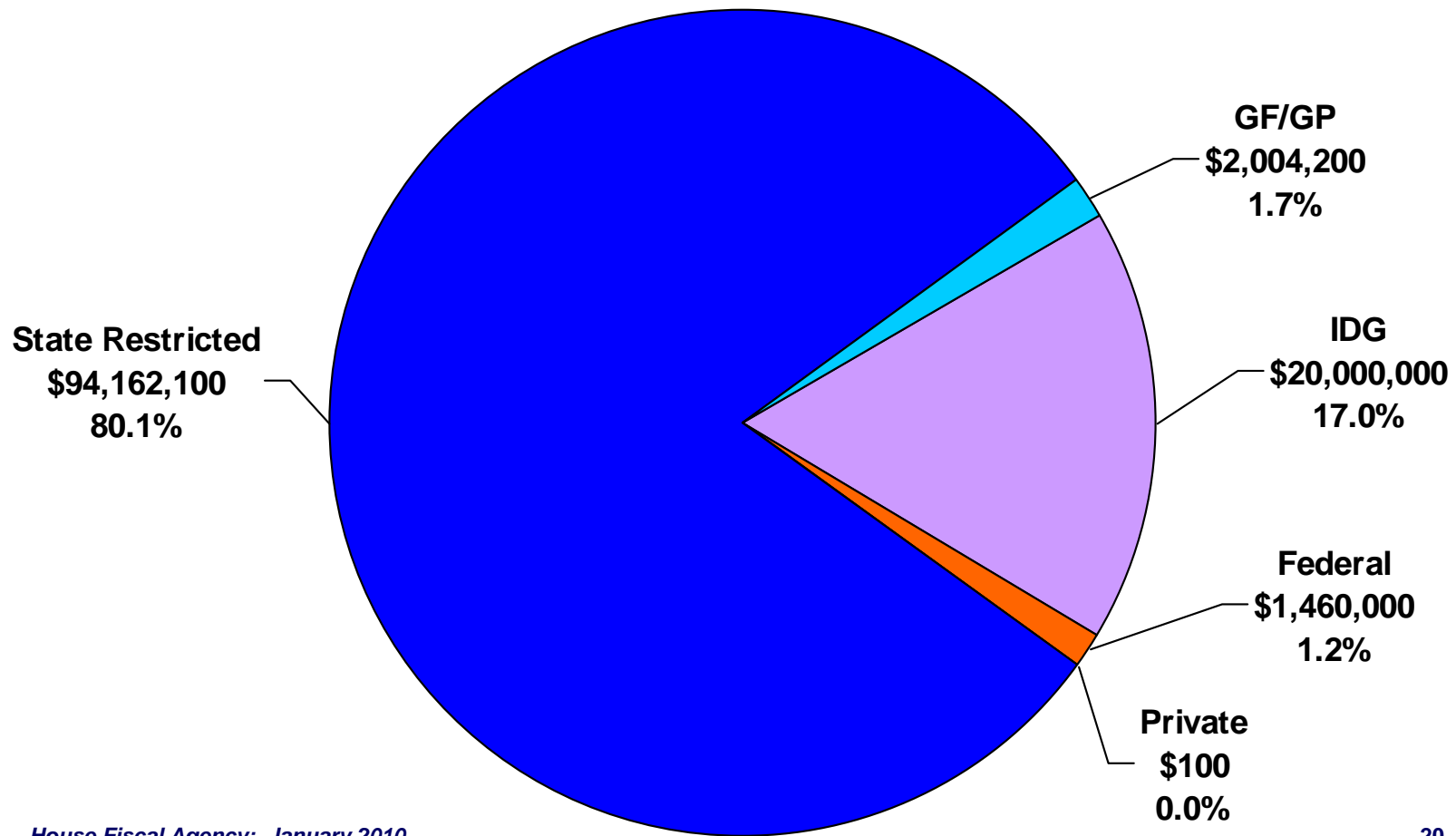
Agricultural Heritage Lighthouse Preservation Water Quality Patriotic “Proud to Be American” Northern Michigan University Olympic Education Center	Children’s Trust Fund Veterans Memorial Wildlife Habitat Support Our Troops
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- **University License Plates:**

Central Michigan University Ferris State University Lake Superior State University Michigan Technological University Oakland University University of Michigan University of Michigan - Flint Western Michigan University	Eastern Michigan University Grand Valley State University Michigan State University Northern Michigan University Saginaw Valley State University University of Michigan - Dearborn Wayne State University
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Customer Delivery Services Appropriations by Revenue Source

FY 2009-10 Total = \$117,626,400



Election Regulation

- **Bureau of Elections**
 - Enforce Michigan election statutes, election law, and Campaign Finance Act
 - Provide training to local election officials and staff support to Board of State Canvassers
 - Review campaign statements, register lobbyists/lobbyist agents, maintain lobbying expenditure reports

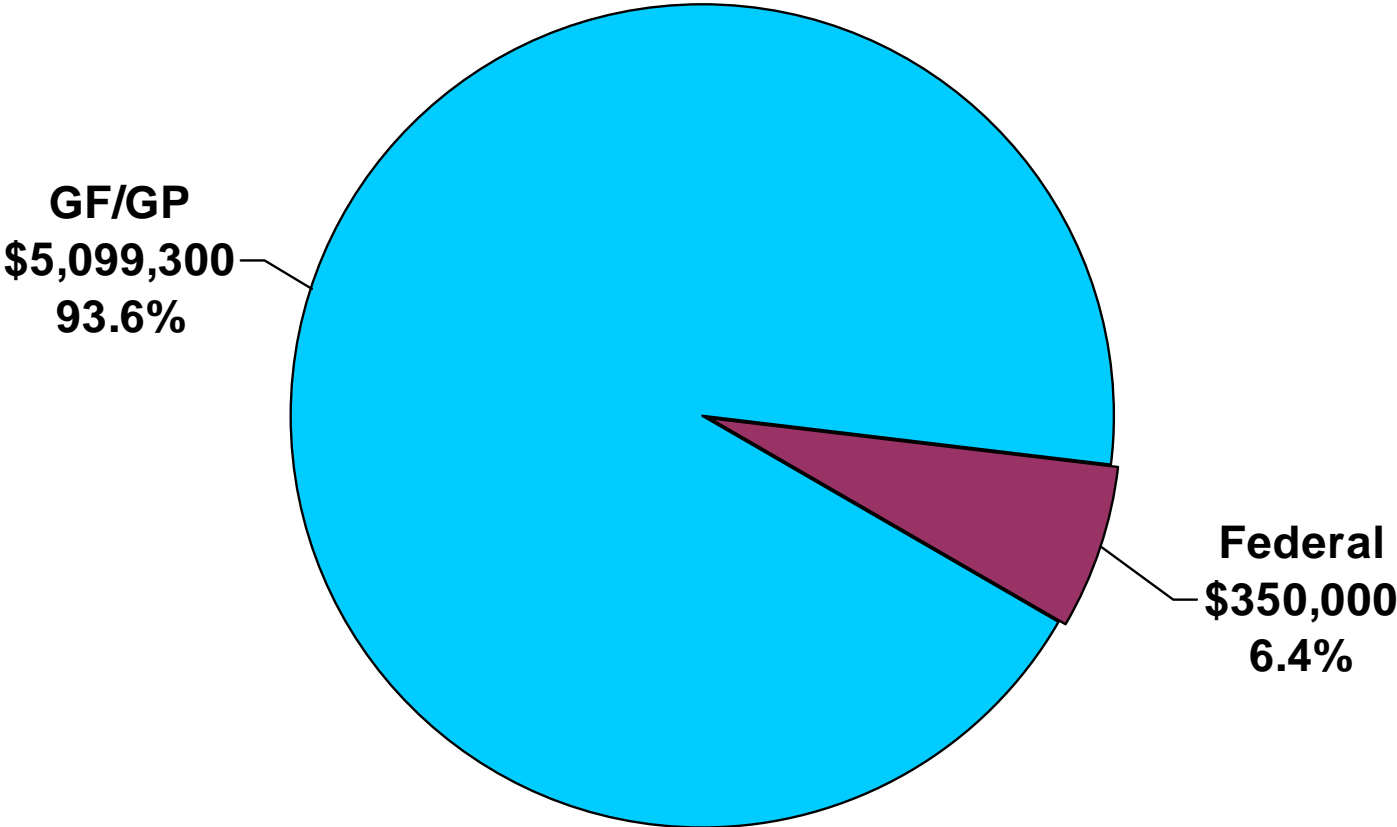
- **Qualified Voter File**
 - Maintain statewide voter registration database to prevent record duplication
 - Place qualified voters in their correct city or township of residence
 - Track voter jurisdiction moves

- **Help America Vote Act**

- **Election Regulation is funded with 6.4% federal and 93.6% state GF/GP**

Election Regulation by Revenue Source

FY 2009-10 Total = \$5,449,300

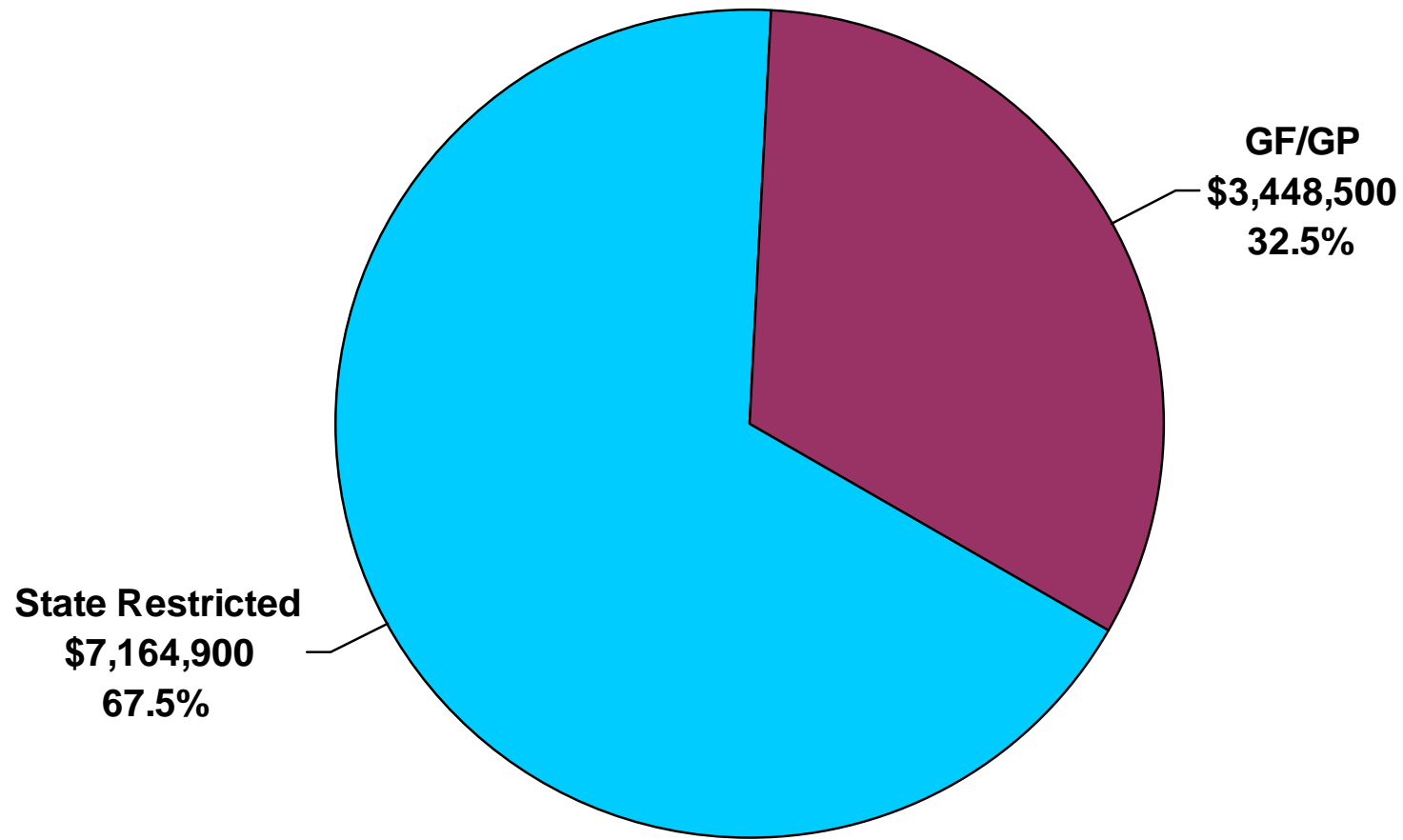


Departmentwide Appropriations

- **Rent and property management costs**
- **Department occupies administrative office space in:**
 - **Capitol area**
 - **Detroit**
 - **Secondary Complex in Lansing**
 - **Branch office space statewide**
- **Payment of worker's compensation premiums**

Departmentwide Appropriations by Revenue Source

FY 2009-10 Total = \$10,613,400

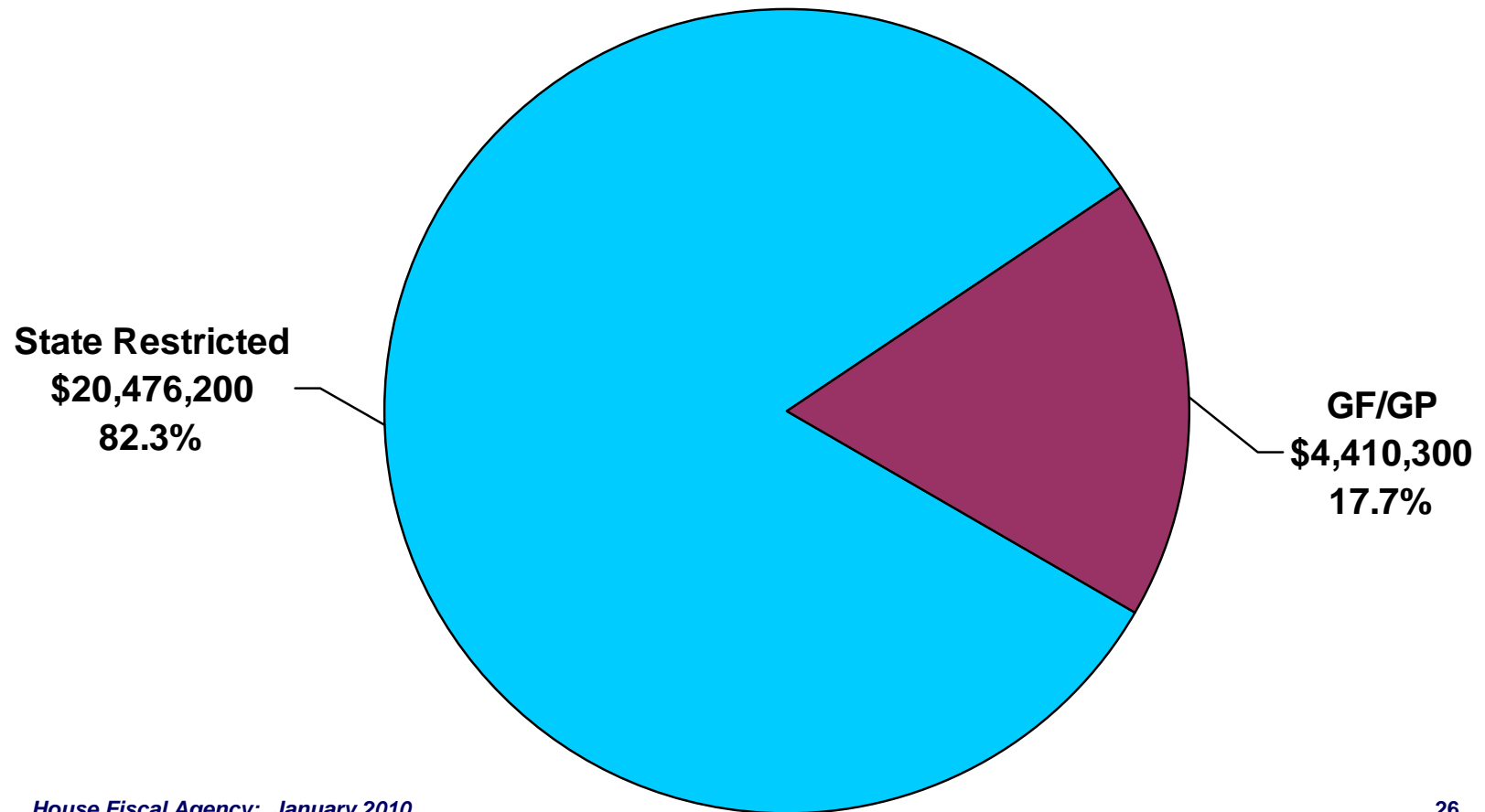


Information Technology (IT)

- **Covers costs of IT-related services and projects, which support Department activities**
- **Administered by Department of Information Technology**

IT Appropriations by Revenue Source

FY 2009-10 Total = \$24,886,500



**For more information about the
Department of State budget, contact:**

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