



STATE OF MICHIGAN  
OFFICE OF THE GOVERNOR  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

JOHN D. CHERRY, JR.  
LT. GOVERNOR

October 29, 2009

Michigan Senate  
State Capitol  
Lansing, Michigan 48909-7536

Ladies and Gentlemen:

I have signed Enrolled Senate Bill 245, which authorizes expenditures for the fiscal year ending September 30, 2010 by several general government entities, including the Department of Attorney General, Department of Civil Rights, Department of Information Technology, Department of Management and Budget, Department of State, Department of Treasury, the Michigan Strategic Fund, the Executive Office, and the Legislative Branch. I have, however, disapproved several items pursuant to Section 19 of Article V of the Michigan Constitution of 1963. The item vetoes are detailed in the attached copy of the bill, which has been filed with the Secretary of State.

I have disapproved a proposed appropriation of \$1,200,000 for census tracking and reapportionment and related boilerplate included in Section 720 of the bill. Given the limited general fund resources available, I can't support spending tax dollars now to support the drawing of political district lines that will not occur until after census data is transmitted to states in April of 2011. Michigan taxpayers have more pressing needs. Furthermore, this appropriation belongs in the Legislature's budget, as reapportionment and redistricting are legislative responsibilities.

I also have disapproved Section 726 of the bill, which earmarks \$7,105,300 for the Michigan State Fair, along with related section 726a. Given current revenue constraints, tax dollars can no longer subsidize State Fair operations.

In addition, I have disapproved earmarks for two business incubators contained in Section 1034 as I believe that such incubators should be concentrated in communities with the greatest need.

I am concerned about the level of revenue sharing payments for our communities and the Legislature's failure to fully fund Section 955 of the bill as

intended. The Legislature has more work to do to assure appropriate revenue sharing payments in support of critical local services.

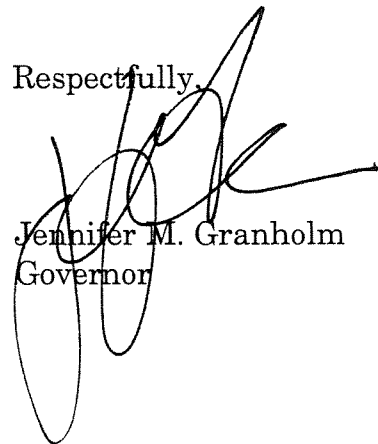
To provide direction regarding the implementation of this appropriations act, I note the following:

- To the extent that Section 227 of the bill purports to alter restrictions on no-bid contracts mandated by The Management and Budget Act, the provision contravenes Section 25 of Article IV of the Michigan Constitution of 1963, and is unenforceable. State departments and agencies shall continue to comply with the restrictions on no-bid contracts already included in The Management and Budget Act.
- Sections 228 and 577(4) purport to require the production of reports by October 15. Because this bill was not presented for enactment until October 20, 2009, the conditions purportedly imposed by these sections cannot be satisfied.
- To the extent that Section 727 of the bill purports to alter the statutory mandates relating to contracts and procurement under The Management and Budget Act, the provision contravenes Section 25 of Article IV of the Michigan Constitution of 1963, and is unenforceable. On matters relating to procurement and contracts, state departments and agencies shall continue to comply with The Management and Budget Act and Executive Directive 2009-3.
- Sections 715(3), 938, 939, 1002(6) of the bill include statements of legislative intent. While the Legislature has the right to state its advice, preferences, or wishes through a statement of intent, such statements do not impose conditions upon appropriations and are non-binding.

While I found it necessary to disapprove of several items in this bill, I thank the Michigan Senate for presenting me with a general government budget.

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Respectfully,



Jennifer M. Granholm  
Governor

cc: Michigan House of Representatives  
The Honorable Terri Lynn Land