

SUBSTITUTE FOR
HOUSE BILL NO. 5294

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, capital outlay, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2016 and September 30, 2017 and for other fiscal years; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 ARTICLE I

2 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

3 PART 1

4 LINE-ITEM APPROPRIATIONS

5 Sec. 101. There is appropriated for the department of

6 agriculture and rural development for the fiscal year ending

1 September 30, 2017, from the following funds:

2 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

3 APPROPRIATION SUMMARY

4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	473.0	
6	GROSS APPROPRIATION.....		\$ 94,101,300
7	Interdepartmental grant revenues:		
8	IDG from LARA (LCC), liquor quality testing fees		220,100
9	IDG from MDEQ, biosolids.....		103,100
10	Total interdepartmental grants and intradepartmental		
11	transfers		323,200
12	ADJUSTED GROSS APPROPRIATION.....		\$ 93,778,100
13	Federal revenues:		
14	Department of Interior.....		273,800
15	EPA, multiple grants.....		1,313,100
16	HHS, multiple grants.....		2,520,600
17	USDA, multiple grants.....		6,363,700
18	Total federal revenues.....		10,471,200
19	Special revenue funds:		
20	Private - commodity group revenue.....		109,600
21	Private - slow-the-spread foundation.....		21,100
22	Total private revenues.....		130,700
23	Agricultural preservation fund.....		1,109,800
24	Agriculture equine industry development fund.....		3,667,200
25	Agriculture licensing and inspection fees.....		4,107,400
26	Animal welfare fund.....		193,300
27	Commodity inspection fees.....		516,000

1	Consumer and industry food safety education fund.....	355,400
2	Dairy and food safety fund.....	5,103,800
3	Feed control fund.....	1,135,200
4	Fertilizer control fund.....	762,600
5	Freshwater protection fund.....	6,401,300
6	Gasoline inspection and testing fund.....	1,990,200
7	Grain dealers fee fund.....	615,000
8	Horticulture fund.....	38,800
9	Industry support funds.....	433,300
10	Migratory labor housing fund.....	167,800
11	Nonretail liquor fees.....	904,200
12	Private forestland enhancement fund.....	288,200
13	Refined petroleum fund.....	2,373,200
14	Rural development fund.....	2,000,000
15	Testing fees.....	293,100
16	Weights and measures regulation fees.....	793,500
17	Total other state restricted revenues.....	33,249,300
18	State general fund/general purpose.....	\$ 49,926,900
19	State general fund/general purpose schedule:	
20	Ongoing state general fund/general	
21	purpose	\$47,536,900
22	One-time state general fund/general	
23	purpose	\$2,390,000
24	Sec. 102. DEPARTMENTWIDE	
25	Full-time equated unclassified positions.....	6.0
26	Full-time equated classified positions.....	32.0
27	Commissions and boards.....	\$ 23,800

1	Unclassified positions--6.0 FTE positions	545,900
2	Executive direction--9.0 FTE positions	1,413,500
3	Operational services--19.0 FTE positions	1,882,700
4	Statistical reporting service--1.0 FTE position	153,600
5	Emergency management--3.0 FTE positions	614,600
6	Accounting service center	1,141,600
7	Building occupancy charges	<u>631,200</u>
8	GROSS APPROPRIATION	\$ 6,406,900
9	Appropriated from:	
10	Federal revenues:	
11	HHS, multiple grants	331,900
12	Special revenue funds:	
13	Private - commodity group revenue	79,100
14	Agricultural preservation fund	15,200
15	Agriculture licensing and inspection fees	263,900
16	Commodity inspection fees	1,100
17	Dairy and food safety fund	416,900
18	Feed control fund	38,900
19	Fertilizer control fund	24,000
20	Freshwater protection fund	67,500
21	Gasoline inspection and testing fund	80,000
22	Grain dealers fee fund	7,900
23	Industry support funds	54,300
24	Migratory housing fund	28,600
25	Nonretail liquor fees	28,100
26	State general fund/general purpose	\$ 4,969,500
27	Sec. 103. INFORMATION AND TECHNOLOGY	

1	Information technology services and projects	\$	<u>1,768,500</u>
2	GROSS APPROPRIATION.....	\$	1,768,500
3	Appropriated from:		
4	Interdepartmental grant revenues:		
5	IDG from LARA (LCC), liquor quality testing fees		3,200
6	Special revenue funds:		
7	Agricultural preservation fund.....		200
8	Agriculture licensing and inspection fees		93,800
9	Dairy and food safety fund.....		61,200
10	Freshwater protection fund.....		100
11	Gasoline inspection and testing fund.....		31,800
12	Nonretail liquor fees.....		500
13	State general fund/general purpose.....	\$	1,577,700
14	Sec. 104. FOOD AND DAIRY		
15	Full-time equated classified positions..... 123.0		
16	Food safety and quality assurance--93.0 FTE positions	\$	14,006,400
17	Milk safety and quality assurance--30.0 FTE positions		<u>4,260,100</u>
18	GROSS APPROPRIATION.....	\$	18,266,500
19	Appropriated from:		
20	Federal revenues:		
21	HHS, multiple grants.....		1,193,800
22	USDA, multiple grants.....		136,300
23	Special revenue funds:		
24	Consumer and industry food safety education fund		355,400
25	Dairy and food safety fund.....		4,554,500
26	State general fund/general purpose.....	\$	12,026,500
27	Sec. 105. ANIMAL INDUSTRY		

1	Full-time equated classified positions.....	60.0	
2	Animal disease prevention and response--60.0 FTE		
3	positions		\$ 9,054,500
4	Indemnification - livestock depredation.....		50,000
5	Animal agriculture initiative - ongoing.....		<u>399,000</u>
6	GROSS APPROPRIATION.....		\$ 9,503,500
7	Appropriated from:		
8	Federal revenues:		
9	Department of Interior.....		50,800
10	HHS, multiple grants.....		46,600
11	USDA, multiple grants.....		527,900
12	Special revenue funds:		
13	Private commodity group revenue.....		30,500
14	Agriculture licensing and inspection fees.....		59,300
15	Animal welfare fund.....		193,300
16	State general fund/general purpose.....		\$ 8,595,100
17	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
18	Full-time equated classified positions.....	92.0	
19	Pesticide and plant pest management--86.0 FTE		
20	positions		\$ 13,672,000
21	Producer security/grain dealers--6.0 FTE positions ...		<u>653,500</u>
22	GROSS APPROPRIATION.....		\$ 14,325,500
23	Appropriated from:		
24	Federal revenues:		
25	Department of Interior.....		101,700
26	EPA, multiple grants.....		533,100
27	HHS, multiple grants.....		325,000

1	USDA, multiple grants.....	843,800
2	Special revenue funds:	
3	Private - slow-the-spread foundation.....	21,100
4	Agriculture licensing and inspection fees.....	3,611,600
5	Commodity inspection fees.....	514,900
6	Feed control fund.....	948,600
7	Fertilizer control fund.....	738,600
8	Freshwater protection fund.....	153,900
9	Grain dealers fee fund.....	607,100
10	Horticulture fund.....	38,800
11	Industry support funds.....	246,400
12	State general fund/general purpose.....	\$ 5,640,900
13	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
14	Full-time equated classified positions..... 55.0	
15	Environmental stewardship - MAEAP--23.0 FTE positions	\$ 9,146,800
16	Farmland and open space preservation--7.0 FTE	
17	positions	1,422,100
18	Qualified forest program--9.0 FTE positions.....	2,582,700
19	Migrant labor housing--9.0 FTE positions.....	1,199,400
20	Right-to-farm--3.0 FTE positions.....	577,600
21	Intercounty drain--4.0 FTE positions.....	<u>484,400</u>
22	GROSS APPROPRIATION.....	\$ 15,413,000
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from MDEQ, biosolids.....	103,100
26	Federal revenues:	
27	Department of Interior.....	121,300

1	EPA, multiple grants.....		608,300
2	USDA, multiple grants.....		922,300
3	Special revenue funds:		
4	Agricultural preservation fund.....		1,094,400
5	Freshwater protection fund.....		6,179,800
6	Migratory labor housing fund.....		139,200
7	Private forestland enhancement fund.....		288,200
8	State general fund/general purpose.....	\$	5,956,400
9	Sec. 108. LABORATORY PROGRAM		
10	Full-time equated classified positions.....	96.0	
11	Laboratory services--42.0 FTE positions.....	\$	6,611,000
12	USDA monitoring--13.0 FTE positions.....		1,616,500
13	Consumer protection program--41.0 FTE positions.....		<u>6,637,400</u>
14	GROSS APPROPRIATION.....	\$	14,864,900
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from LARA (LCC), liquor quality testing fees.....		216,900
18	Federal revenues:		
19	EPA, multiple grants.....		171,700
20	HHS, multiple grants.....		623,300
21	USDA, multiple grants.....		1,617,400
22	Special revenue funds:		
23	Agriculture licensing and inspection fees.....		78,800
24	Dairy and food safety fund.....		71,200
25	Feed control fund.....		147,700
26	Gasoline inspection and testing fund.....		1,878,400
27	Refined petroleum fund.....		2,373,200

1	Testing fees.....	293,100
2	Weights and measures regulation fees.....	793,500
3	State general fund/general purpose.....	\$ 6,599,700
4	Sec. 109. AGRICULTURE DEVELOPMENT	
5	Full-time equated classified positions..... 15.0	
6	Agriculture development--11.0 FTE positions.....	\$ 3,604,300
7	Grape and wine program--3.0 FTE positions.....	921,000
8	Value-added grants - ongoing.....	500,000
9	Rural development fund grant program--1.0 FTE	
10	position	<u>2,000,000</u>
11	GROSS APPROPRIATION.....	\$ 7,025,300
12	Appropriated from:	
13	Federal revenues:	
14	USDA, multiple grants.....	2,316,000
15	Special revenue funds:	
16	Industry support funds.....	132,600
17	Nonretail liquor fees.....	875,600
18	Rural development fund.....	2,000,000
19	State general fund/general purpose.....	\$ 1,701,100
20	Sec. 110. FAIRS AND EXPOSITIONS	
21	Fairs and racing.....	\$ 256,600
22	County fairs, shows, and exhibitions grants.....	470,000
23	Purses and supplements - fairs/licensed tracks.....	708,300
24	Licensed tracks - light horse racing.....	40,300
25	Light horse racing - breeders' awards.....	20,000
26	Standardbred breeders' awards.....	345,900
27	Standardbred purses and supplements - licensed tracks	671,800

1	Standardbred sire stakes.....	275,000
2	Thoroughbred supplements - licensed tracks.....	601,900
3	Thoroughbred breeders' awards.....	368,600
4	Thoroughbred sire stakes.....	<u>378,800</u>
5	GROSS APPROPRIATION.....	\$ 4,137,200
6	Appropriated from:	
7	Special revenue funds:	
8	Agriculture equine industry development fund.....	3,667,200
9	State general fund/general purpose.....	\$ 470,000
10	Sec. 111. ONE-TIME BASIS ONLY	
11	Value-added grants - one-time.....	\$ 1,000,000
12	Grape and wine council - one-time.....	170,000
13	Vital agriculture infrastructure grant program.....	220,000
14	Tree fruit research grants.....	500,000
15	Animal agriculture initiative - one-time.....	<u>500,000</u>
16	GROSS APPROPRIATION.....	\$ 2,390,000
17	Appropriated from:	
18	State general fund/general purpose.....	\$ 2,390,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$83,176,200.00 and state

1 spending from state resources to be paid to local units of
 2 government for fiscal year 2016-2017 is \$4,750,000.00. The itemized
 3 statement below identifies appropriations from which spending to
 4 local units of government will occur:

5 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

6	Environmental stewardship/MAEAP.....	\$	3,250,000
7	Qualified forest program.....		<u>1,500,000</u>
8	TOTAL.....	\$	4,750,000

9 Sec. 202. The appropriations authorized under part 1 and this
 10 part are subject to the management and budget act, 1984 PA 431, MCL
 11 18.1101 to 18.1594.

12 Sec. 203. As used in part 1 and this part:

13 (a) "Department" means the department of agriculture and rural
 14 development.

15 (b) "Director" means the director of the department.

16 (c) "EPA" means the United States Environmental Protection
 17 Agency.

18 (d) "FDA" means the United States Food and Drug
 19 Administration.

20 (e) "Fiscal agencies" means the Michigan house fiscal agency
 21 and the Michigan senate fiscal agency.

22 (f) "FTE" means full-time equated.

23 (g) "HHS" means the United States Department of Health and
 24 Human Services.

25 (h) "IDG" means interdepartmental grant.

26 (i) "LARA" means the Michigan department of licensing and
 27 regulatory affairs.

1 (j) "LCC" means the Michigan liquor control commission.

2 (k) "MAEAP" means the Michigan agriculture environmental
3 assurance program.

4 (l) "MDEQ" means the Michigan department of environmental
5 quality.

6 (m) "MDNR" means the Michigan department of natural resources.

7 (n) "MOU" means memorandum of understanding.

8 (o) "Subcommittees" means all members of the subcommittees of
9 the house and senate appropriations committees with jurisdiction
10 over the budget for the department.

11 (p) "TB" means tuberculosis.

12 (q) "USDA" means the United States Department of Agriculture.

13 Sec. 204. The departments and agencies receiving
14 appropriations in part 1 shall use the Internet to fulfill the
15 reporting requirements of this part. This requirement may include
16 transmission of reports via electronic mail to the recipients
17 identified for each reporting requirement, or it may include
18 placement of reports on an Internet or Intranet site.

19 Sec. 205. Funds appropriated in part 1 shall not be used for
20 the purchase of foreign goods or services, or both, if
21 competitively priced and of comparable quality American goods or
22 services, or both, are available. Preference shall be given to
23 goods or services, or both, manufactured or provided by Michigan
24 businesses, if they are competitively priced and of comparable
25 quality. In addition, preference shall be given to goods or
26 services, or both, that are manufactured or provided by Michigan
27 businesses owned and operated by veterans, if they are

1 competitively priced and of comparable quality.

2 Sec. 206. The director shall take all reasonable steps to
3 ensure businesses in deprived and depressed communities compete for
4 and perform contracts to provide services or supplies, or both.
5 Each director shall strongly encourage firms with which the
6 department contracts to subcontract with certified businesses in
7 depressed and deprived communities for services, supplies, or both.

8 Sec. 207. The departments and agencies receiving
9 appropriations in part 1 shall prepare a report on out-of-state
10 travel expenses not later than January 1 of each year. The travel
11 report shall be a listing of all travel by classified and
12 unclassified employees outside this state in the immediately
13 preceding fiscal year that was funded in whole or in part with
14 funds appropriated in the department's budget. The report shall be
15 submitted to the house and senate appropriations committees, the
16 house and senate fiscal agencies, and the state budget director.
17 The report shall include the following information:

18 (a) The dates of each travel occurrence.

19 (b) The transportation and related costs of each travel
20 occurrence, including the proportion funded with state general
21 fund/general purpose revenues, the proportion funded with state
22 restricted revenues, the proportion funded with federal revenues,
23 and the proportion funded with other revenues.

24 Sec. 208. Funds appropriated in part 1 shall not be used by a
25 principal executive department, state agency, or authority to hire
26 a person to provide legal services that are the responsibility of
27 the attorney general. This prohibition does not apply to legal

1 services for bonding activities and for those outside services that
2 the attorney general authorizes.

3 Sec. 209. Not later than November 30, the state budget office
4 shall prepare and transmit a report that provides for estimates of
5 the total general fund/general purpose appropriation lapses at the
6 close of the prior fiscal year. This report shall summarize the
7 projected year-end general fund/general purpose appropriation
8 lapses by major departmental program or program areas. The report
9 shall be transmitted to the chairpersons of the senate and house of
10 representatives standing committees on appropriations and the
11 senate and house fiscal agencies.

12 Sec. 210. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$5,000,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in part 1 under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

18 (2) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$6,000,000.00 for state
20 restricted contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in part 1 under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (3) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$100,000.00 for local
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in part 1

1 under section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 (4) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$100,000.00 for private
5 contingency funds. These funds are not available for expenditure
6 until they have been transferred to another line item in part 1
7 under section 393(2) of the management and budget act, 1984 PA 431,
8 MCL 18.1393.

9 Sec. 211. The department shall cooperate with the department
10 of technology, management, and budget to maintain a searchable
11 website accessible by the public at no cost that includes, but is
12 not limited to, all of the following for each department or agency:

13 (a) Fiscal year-to-date expenditures by category.

14 (b) Fiscal year-to-date expenditures by appropriation unit.

15 (c) Fiscal year-to-date payments to a selected vendor,
16 including the vendor name, payment date, payment amount, and
17 payment description.

18 (d) The number of active department employees by job
19 classification.

20 (e) Job specifications and wage rates.

21 Sec. 212. Within 14 days after the release of the executive
22 budget recommendation, the department shall cooperate with the
23 state budget office to provide the senate and house appropriations
24 chairs, the subcommittees, respectively, and the senate and house
25 fiscal agencies with an annual report on estimated state restricted
26 fund balances, state restricted fund projected revenues, and state
27 restricted fund expenditures for the fiscal years ending September

1 30, 2016 and September 30, 2017.

2 Sec. 213. The department shall maintain, on a publicly
3 accessible website, a department scorecard that identifies, tracks,
4 and regularly updates key metrics that are used to monitor and
5 improve the agency's performance.

6 Sec. 214. Total authorized appropriations from all sources
7 under part 1 for legacy costs for the fiscal year ending September
8 30, 2017 is \$11,911,300.00. From this amount, total agency
9 appropriations for pension-related legacy costs are estimated at
10 \$6,604,500.00. Total agency appropriations for retiree health care
11 legacy costs are estimated at \$5,306,800.00.

12 Sec. 215. The department shall not take disciplinary action
13 against an employee for communicating with a member of the
14 legislature or his or her staff.

15 Sec. 234. The department and agencies receiving appropriations
16 in part 1 shall receive and retain copies of all reports funded
17 from appropriations in part 1. Federal and state guidelines for
18 short-term and long-term retention of records shall be followed.
19 The department may electronically retain copies of reports unless
20 otherwise required by federal and state guidelines.

21 **DEPARTMENTWIDE**

22 Sec. 301. (1) The department may establish a fee schedule and
23 collect fees for the following work activities and services:

24 (a) Pesticide and plant pest management propagation and
25 certification of virus-free foundation stock.

26 (b) Fruit and vegetable inspection and grading services at

1 shipping and termination points and processing plants.

2 (c) Laboratory support testing for testing horses in draft
3 horse pulling contests at county fairs when local jurisdictions
4 request state assistance.

5 (d) Laboratory support analyses to determine foreign
6 substances in horses engaged in racing or pulling contests at
7 tracks.

8 (e) Laboratory support analyses of food, livestock, and
9 agricultural products for disease, foreign products for disease,
10 toxic materials, foreign substances, and quality standards.

11 (f) Laboratory support test samples for other state and local
12 agencies and public or private organizations.

13 (2) The department may receive and expend revenue from the
14 fees authorized under subsection (1), subject to appropriation, for
15 the purpose of recovering expenses associated with the work
16 activities and services described in subsection (1). Fee revenue
17 collected by the department under subsection (1) shall not lapse to
18 the state general fund at the end of the fiscal year but shall
19 carry forward for appropriation by the legislature in the
20 subsequent fiscal year.

21 (3) The department shall notify the subcommittees and the
22 fiscal agencies 30 days prior to proposing changes in fees
23 authorized under this section or under section 5 of the market
24 conditions act, 1915 PA 91, MCL 285.35.

25 (4) On or before February 1 of each year, the department shall
26 provide a report to the subcommittees and the fiscal agencies
27 detailing all the fees charged by the department under the

1 authorization provided in this section, including, but not limited
2 to, rates, number of individuals paying each fee, and the revenue
3 generated by each fee in the previous fiscal year.

4 Sec. 302. (1) The department may contract with or provide
5 grants to local units of government, institutions of higher
6 education, or nonprofit organizations to support activities
7 authorized by appropriations in part 1. As used in this section,
8 contracts and grants include, but are not limited to, contracts for
9 delivery of groundwater/freshwater programs, MAEAP technical
10 assistance, forest management, invasive species monitoring,
11 wildlife risk mitigation, grants promoting proper pesticide
12 disposal, and research grants for the purpose of enhancing the
13 agricultural industries in this state.

14 (2) The department shall provide notice of contracts or grants
15 authorized under this section to the subcommittees and the fiscal
16 agencies not later than 7 days before the department notifies
17 contract or grant recipients.

18 Sec. 303. It is the intent of the legislature that the
19 department use revenue from licensing and inspection fees to
20 increase the use of technology in licensing and inspection
21 activities to make licensing and inspection functions, including
22 reporting, more efficient. The department shall work to ensure that
23 all license and registration applications can be completed online
24 through a secure web portal.

25 **FOOD AND DAIRY**

26 Sec. 401. (1) The department shall report on the previous

1 calendar year's activities of the food and dairy division. The
2 report shall include information on activities and outcomes of the
3 dairy safety and inspection program, the food safety inspection
4 program, the foodborne illness and emergency response program, and
5 the food service program.

6 (2) The report shall include information on significant
7 foodborne outbreaks and emergencies, including any enforcement
8 actions taken related to food safety during the prior calendar
9 year.

10 (3) The report shall be transmitted to the subcommittees and
11 the fiscal agencies and posted to the department's website on or
12 before April 1 of each year.

13 Sec. 403. It is the intent of the legislature that the
14 department work with the FDA and representatives of agriculture
15 producers to develop on-farm food safety education and training
16 programs to assist producers in implementing the food safety
17 modernization act, Public Law 111-353, requirements. The department
18 may receive and expend federal revenues in excess of the federal
19 revenue appropriated in part 1, section 104, for food safety
20 modernization act, Public Law 111-353, education and training
21 program activities. The department shall notify the subcommittees
22 and the fiscal agencies prior to expending federal revenues
23 authorized under this section.

24 **ANIMAL INDUSTRY**

25 Sec. 451. From the funds appropriated in part 1 for bovine
26 tuberculosis, the department shall pay for all whole herd testing

1 costs and individual animal testing costs in the modified
2 accredited zone to maintain split-state status requirements. These
3 costs include indemnity and compensation for injury causing death
4 or downer to animals.

5 Sec. 452. The department shall report on the previous calendar
6 year's activities of the animal industry division. The report shall
7 be transmitted to the subcommittees and the fiscal agencies and
8 posted to the department's website on or before April 1 of each
9 year.

10 Sec. 453. (1) From the funds appropriated in part 1 for animal
11 disease prevention and response, the department may provide for
12 indemnity pursuant to the animal industry act, 1988 PA 466, MCL
13 287.701 to 287.746, not to exceed \$100,000.00 per order. Any
14 indemnification agreement between the department and an owner of
15 livestock that exceeds \$100,000.00 shall be subject to specific
16 appropriation by the legislature.

17 (2) The department shall not make an indemnification payment
18 under the animal industry act, 1988 PA 466, MCL 287.701 to 287.746,
19 until the department provides all of the following information to
20 the subcommittees and the fiscal agencies:

21 (a) The reason for the indemnification.

22 (b) The amount of the indemnification.

23 (c) The person to whom the indemnification is to be paid.

24 (3) From the funds appropriated in part 1 for indemnification
25 - livestock depredation, the department shall make indemnification
26 payments for livestock killed by a wolf, coyote, or cougar pursuant
27 to the wildlife depredation indemnification act, 2012 PA 487, MCL

1 285.361 to 285.365.

2 (4) On or before March 1, 2017, the department shall report to
3 the subcommittees and the fiscal agencies on indemnification
4 payments for livestock depredation made in the previous fiscal
5 year. The report shall include all of the following information:

6 (a) The reason for the indemnification.

7 (b) The amount of the indemnification.

8 (c) The person to whom the indemnification was paid.

9 Sec. 454. The department shall use its resources to
10 collaborate with the USDA to monitor bovine TB, consistent with the
11 May 2014 memorandum of understanding between the department and the
12 USDA.

13 Sec. 457. (1) On or before October 15, 2016, the department
14 shall provide to the subcommittees and the fiscal agencies a report
15 on bovine TB status and department activities.

16 (2) For each fiscal quarter following the report required in
17 subsection (1), the department shall provide an update to the
18 subcommittees and fiscal agencies. The quarterly update reports
19 shall identify significant impacts to the program, including new
20 incidence of bovine TB in this state, department activity
21 associated with specific new incidence of bovine TB, any changes in
22 USDA requirements or movement orders, information and data on:
23 wildlife risk mitigation plan implementation in the modified
24 accredited zone; implementation of a movement certificate process;
25 progress toward annual surveillance test requirements; efforts to
26 work with slaughter facilities in Michigan, as well as those that
27 slaughter a significant number of animals from Michigan;

1 educational programs and information for Michigan's livestock
2 community; any other item the legislature should be aware of that
3 will promote or hinder efforts to achieve bovine TB-free status for
4 Michigan.

5 Sec. 458. From the funds appropriated in part 1 for animal
6 industry, the department shall provide inspection and testing of
7 aquaculture facilities and aquaculture researchers as provided
8 under section 7 of the Michigan aquaculture development act, 1996
9 PA 199, MCL 286.877.

10 Sec. 459. It is the intent of the legislature that the
11 department shall not conduct whole herd bovine TB testing on any 1
12 herd in a TB-free zone more often than every 4 years or re-test
13 until all other herds in their county have been tested, unless
14 involved in an epidemiological investigation, there is an outbreak
15 within a 10-radius-mile area, or is not on a verified wildlife risk
16 mitigated premises. If there is an outbreak within a 10-radius-mile
17 area, protocols outlined by the current memorandum of understanding
18 with the USDA shall be used.

19 **PESTICIDE AND PLANT PEST MANAGEMENT**

20 Sec. 501. The department shall report on the previous calendar
21 year's activities of the pesticide and plant pest management
22 division. The report shall be transmitted to the subcommittees and
23 the fiscal agencies and posted to the department's website on or
24 before April 1 of each year.

25 **ENVIRONMENTAL STEWARDSHIP**

1 Sec. 601. The funds appropriated in part 1 for environmental
2 stewardship/MAEAP shall be used to support department agriculture
3 pollution prevention programs, including groundwater and freshwater
4 protection programs under part 87 of the Michigan natural resources
5 and environmental protection act, 1994 PA 451, MCL 324.8701 to
6 324.8717, and technical assistance in implementing conservation
7 grants available under the federal farm bill of 2014.

8 Sec. 602. The department shall report on the previous calendar
9 year's activities of the environmental stewardship division. The
10 report shall be transmitted to the subcommittees and the fiscal
11 agencies and posted to the department's website on or before April
12 1 of each year.

13 Sec. 604. The department may receive and expend federal
14 revenues in excess of the federal revenue appropriated in part 1,
15 section 107, for environmental stewardship and MAEAP activities.
16 The department shall notify the subcommittees and the fiscal
17 agencies prior to expending federal revenues authorized under this
18 section.

19 Sec. 608. (1) The appropriations in part 1 for qualified
20 forest affidavit program are for the purpose of increasing the
21 knowledge of nonindustrial private forestland owners of sound
22 forest management practices and increasing the amount of commercial
23 timber production from those lands.

24 (2) The department shall work in partnership with stakeholder
25 groups and other state and federal agencies to increase the active
26 management of nonindustrial private forestland to foster the growth
27 of Michigan's timber product industry.

LABORATORY PROGRAM

Sec. 651. The department shall report on the previous calendar year's activities of the laboratory division. The report shall be transmitted to the subcommittees and the fiscal agencies and posted to the department's website on or before April 1 of each year.

Sec. 652. The laboratory program shall increase turnaround times in the Geagley laboratory from 30%-50% to 75%-80% and implement a risk-based inspection program on devices and package content in the consumer protection program in the current fiscal year. The purpose of these programs is to ensure the protection of consumers from economic harm due to labeling or measurement fraud and to ensure the safety of the food supply. The department will track the outcome of the program by measuring sample analysis turnaround times and the percentage of compliant measurement devices inspected in the fiscal year.

AGRICULTURE DEVELOPMENT

Sec. 701. (1) From the funds appropriated in part 1 for value-added grants, the department shall do both of the following:

(a) Establish and administer a competitive grant program.

(b) Establish and administer a food and agriculture investment program.

(2) Both programs established in subsection (1) shall promote the expansion of value-added agricultural production, processing, and access within the state.

(3) In addition to the funds appropriated in part 1, the department may receive and expend funds received from outside

1 sources for the competitive grant program and the food and
2 agricultural investment program.

3 (4) Grantees funded through the competitive grant program will
4 be required to provide a cash match and identify measurable project
5 outcomes. Eligible grantees may include, but are not limited to,
6 individuals, partnerships, cooperatives, and private or public
7 corporations.

8 (5) For the competitive grant program, a joint evaluation
9 committee shall be selected by the director consisting of
10 representatives that have agriculture, business, and economic
11 development expertise. The joint evaluation committee shall
12 identify criteria, evaluate applications, and provide
13 recommendations to the director for final approval of grant awards.

14 (6) The department shall provide a year-end report on the
15 competitive grant program no later than September 30 of the current
16 fiscal year to the subcommittees and the fiscal agencies, which
17 shall include a listing of the grantees, award amounts, match
18 funding, and project outcomes.

19 (7) The food and agriculture investment program shall be
20 administered by the department to provide support for food and
21 agriculture projects that will help expand food and agriculture
22 processing in order to enable growth in the industry and Michigan's
23 economy. The department shall identify specific outcomes and
24 performance metrics for each project. Prior to the allocation of
25 funding, all projects shall receive approval from the Michigan
26 commission of agriculture and rural development.

27 (8) The unexpended portion of the valued-added grants program

1 shall be considered a work project appropriation in accordance with
2 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

3 (9) The department may expend money from the funds
4 appropriated in part 1 for value-added grants for administration of
5 the program.

6 Sec. 702. The department shall work with the rural development
7 fund board to establish a process and criteria for funding projects
8 as well as establishing metrics and measurable outcomes for the
9 program. Funds appropriated from the rural development fund shall
10 be used in accordance with the provisions of 2012 PA 41.

11 Sec. 706. (1) The department shall report on the previous
12 calendar year's activities of the agriculture development division.
13 The report shall be transmitted to the subcommittees and the fiscal
14 agencies and posted to the department's website on or before April
15 1 of each year.

16 (2) The report shall include the following information on any
17 grants awarded during the prior fiscal year:

18 (a) The name of the grantee.

19 (b) The amount of the grant.

20 (c) The purpose of the grant, including measurable outcomes.

21 (d) Additional state, federal, private, or local funds
22 contributed to the grant project.

23 (e) The completion date of grant-funded activities.

24 Sec. 709. (1) Not later than April 1 of the current fiscal
25 year, the department shall provide a report to the subcommittees
26 and the fiscal agencies describing the activities of the grape and
27 wine industry council established under section 303 of the Michigan

1 liquor control code of 1998, 1998 PA 58, MCL 436.1303.

2 (2) The report shall include all of the following:

3 (a) Council activities and accomplishments for the previous
4 fiscal year.

5 (b) Council expenditures for the previous fiscal year by
6 category of administration, industry support, research and
7 education grants, and promotion and consumer education.

8 (c) Grants awarded during the previous fiscal year and the
9 results of research grant projects completed during the previous
10 fiscal year.

11 **FAIRS AND EXPOSITIONS**

12 Sec. 801. All appropriations from the agriculture equine
13 industry development fund shall be spent on equine-related
14 purposes. No funds from the agriculture equine industry development
15 fund shall be expended for nonequine-related purposes without prior
16 approval of the legislature.

17 Sec. 802. All appropriations from the agriculture equine
18 industry development fund, except for the Michigan gaming control
19 board's regulatory expenses and the department's expenses to
20 administer horse racing programs and laboratory analysis, shall be
21 reduced proportionately if revenues to the agriculture equine
22 industry development fund decline during the preceding fiscal year
23 to a level lower than the amounts appropriated in part 1.

24 Sec. 804. It is the intent of the legislature that the
25 Michigan gaming control board shall use actual expenditure data in
26 determining the actual regulatory costs of conducting racing dates

1 and shall provide that data to the senate and house of
2 representatives appropriations subcommittees on agriculture and
3 rural development and general government and the fiscal agencies by
4 November 1 of the current fiscal year. The Michigan gaming control
5 board shall not be reimbursed for more than the actual regulatory
6 cost of conducting race dates. If a certified horsemen's
7 organization funds more than the actual regulatory cost, the
8 balance shall remain in the agriculture equine industry development
9 fund to be used to fund subsequent race dates conducted by race
10 meeting licensees with which the certified horsemen's organization
11 has contracts. If a certified horsemen's organization funds less
12 than the actual regulatory costs of the additional horse racing
13 dates, the Michigan gaming control board shall reduce the number of
14 future race dates conducted by race meeting licensees with which
15 the certified horsemen's organization has contracts. Prior to the
16 reduction in the number of authorized race dates due to budget
17 deficits, the executive director of the Michigan gaming control
18 board shall provide notice to the certified horsemen's
19 organizations with an opportunity to respond with alternatives. In
20 determining actual costs, the Michigan gaming control board shall
21 take into account that each specific breed may require different
22 regulatory mechanisms.

23 Sec. 805. (1) The department shall establish and administer a
24 county fairs, shows, and exhibitions grant program. The program
25 shall have the following objectives:

26 (a) Assist in the promotion of building improvements or other
27 capital improvements at county fairgrounds of the state.

1 (b) Provide financial support, promotion, prizes, and premiums
2 of equine, livestock, and other agricultural commodity expositions
3 in the state.

4 (2) The department shall award grants on a competitive basis
5 to county fair organizations from the funds appropriated in part 1
6 for county fairs, shows, and exhibitions grants. Grantees will be
7 required to provide a dollar-for-dollar cash match with grant
8 awards and identify measurable project outcomes. A county fair
9 organization that received a county fair capital improvement grant
10 in the prior fiscal year shall not receive a grant from the
11 appropriation in part 1, unless otherwise designated to receive a
12 grant within this section.

13 (3) From the amount appropriated in part 1 for county fairs,
14 shows, and expositions, up to \$20,000.00 shall be expended for the
15 purpose of financial support, promotion, prizes, and premiums of
16 equine, livestock, and other agricultural commodity expositions in
17 this state.

18 (4) The department shall award grants for the purposes
19 stipulated in subsection (3) on a competitive basis to persons
20 organizing shows and expositions. Grantees will be required to
21 provide a dollar-for-dollar cash match with grant awards and
22 identify measurable project outcomes.

23 (5) The department shall identify criteria, evaluate
24 applications, and provide recommendations to the director for final
25 approval of grant awards.

26 (6) From the funds appropriated in part 1, for county fairs,
27 shows, and exhibitions grants, \$60,000.00 shall be used to support

capital improvements to the dairy barn at the Lenawee County fair.

(7) From the funds appropriated in part 1, for county fairs, shows, and exhibitions grants, \$50,000.00 shall be used to make capital improvements to the horse judging booth at the Tuscola County fair.

(8) From the funds appropriated in part 1, for county fairs, shows, and exhibitions grants, \$40,000.00 shall be used to make capital improvements to the streets within the Monroe County fairgrounds to improve handicap accessibility.

(9) The department may expend money from the funds appropriated in part 1 for the county fairs, shows, and exhibitions grants for administering the program.

(10) The unexpended portion of the county fairs, shows, and exhibitions grants is considered a work project appropriation in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(11) The department shall provide a year-end report on the county fairs, shows, and exhibitions grants no later than December 1, 2017 to the subcommittees and the fiscal agencies, which shall include a listing of the grantees, award amounts, match funding, and project outcomes.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

1 Sec. 1201. It is the intent of the legislature to provide
 2 appropriations for the fiscal year ending on September 30, 2018 for
 3 the line items listed in part 1. The fiscal year 2017-2018
 4 appropriations are anticipated to be the same as those for fiscal
 5 year 2016-2017, except that the line items will be adjusted for
 6 changes in caseload and related costs, federal fund match rates,
 7 economic factors, and available revenue. These adjustments will be
 8 determined after the January 2017 consensus revenue estimating
 9 conference.

10 ARTICLE II

11 CAPITAL OUTLAY

12 PART 1

13 LINE-ITEM APPROPRIATIONS

14 FOR FISCAL YEAR 2015-2016

15 Sec. 101. There is appropriated for the various state
 16 departments and agencies and capital outlay to supplement
 17 appropriations for the fiscal year ending September 30, 2016, from
 18 the following funds:

19 **APPROPRIATION SUMMARY**

20 GROSS APPROPRIATION.....	\$	501,600
21 Interdepartmental grant revenues:		
22 Total interdepartmental grants and intradepartmental		
23 transfers		0
24 ADJUSTED GROSS APPROPRIATION.....	\$	501,600
25 Federal revenues:		

1	Total federal revenues.....		0
2	Special revenue funds:		
3	Total local revenues.....		0
4	Total private revenues.....		0
5	Total other state restricted revenues.....		0
6	State general fund/general purpose.....	\$	501,600
7	Sec. 102. CAPITAL OUTLAY		
8	(1) APPROPRIATION SUMMARY		
9	GROSS APPROPRIATION.....	\$	501,600
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		0
13	ADJUSTED GROSS APPROPRIATION.....	\$	501,600
14	Federal revenues:		
15	Total federal revenues.....		0
16	Special revenue funds:		
17	Total local revenues.....		0
18	Total private revenues.....		0
19	Total other state restricted revenues.....		0
20	State general fund/general purpose.....	\$	501,600
21	(2) STATE AGENCY, COMMUNITY COLLEGE, AND UNIVERSITY		
22	PLANNING AUTHORIZATIONS		
23	Central Michigan University - Center for Integrated		
24	Health Studies - for program and planning to be paid		
25	for from university resources (estimated total		
26	authorized cost \$26,000,000; state share		
27	\$19,500,000; university share \$6,500,000).....	\$	100

1	Eastern Michigan University - Strong Hall renovation -	
2	for program and planning to be paid for from	
3	university resources (estimated total authorized	
4	cost \$39,536,000; state share \$29,652,000;	
5	university share \$9,884,000)	100
6	Grand Valley State University - Health and Medical	
7	Sciences Laboratory and Classroom Building - for	
8	program and planning to be paid for from university	
9	resources (estimated total authorized cost	
10	\$70,000,000; state share \$29,000,000; university	
11	share \$41,000,000)	100
12	Lake Superior State University - Center for Freshwater	
13	Research and Education - for program and planning to	
14	be paid for from university resources (estimated	
15	total authorized cost \$11,800,000; state share	
16	\$8,850,000; university share \$2,950,000)	100
17	University of Michigan - Ann Arbor - School of	
18	Dentistry renovation and addition - for program and	
19	planning to be paid for from university resources	
20	(estimated total authorized cost \$122,000,000; state	
21	share \$30,000,000; university share \$92,000,000)	100
22	University of Michigan - Dearborn - Engineering	
23	Laboratory Building replacement - for program and	
24	planning to be paid for from university resources	
25	(estimated total authorized cost \$90,000,000; state	
26	share \$30,000,000; university share \$60,000,000)	100
27	University of Michigan - Flint - Murchie Science	

1	Building expansion - for program and planning to be	
2	paid from university resources (estimated total	
3	authorized cost \$39,000,000; state share	
4	\$29,250,000; university share \$9,750,000)	100
5	Western Michigan University - College of Aviation	
6	renovation and addition - for program and planning	
7	to be paid from university resources (estimated	
8	total authorized cost \$20,000,000; state share	
9	\$15,000,000; university share \$5,000,000)	100
10	Delta College - Saginaw Center - for program and	
11	planning to be paid for from college resources	
12	(estimated total authorized cost \$12,739,000; state	
13	share \$6,369,500; college share \$6,369,500)	100
14	Kellogg Community College - Regional Manufacturing	
15	Technology Center renovation/addition - for program	
16	and planning to be paid for from community college	
17	resources (estimated total authorized cost	
18	\$4,300,000; state share \$2,150,000; community	
19	college share \$2,150,000)	100
20	Monroe County Community College - renovation of East	
21	and West Technology Buildings - for program and	
22	planning to be paid for from community college	
23	resources (estimated total authorized cost	
24	\$7,500,000; state share \$3,750,000; community	
25	college share \$3,750,000)	100
26	Muskegon Community College - Health and Wellness	
27	Center - for program and planning to be paid for	

1	from community college resources (estimated total	
2	authorized cost \$14,100,000; state share \$5,640,000;	
3	community college share \$8,460,000).....	100
4	Northwestern Michigan College - West Hall Innovation	
5	Center renovation and expansion - for program and	
6	planning to be paid for from college resources	
7	(estimated total authorized cost \$14,499,400; state	
8	share \$7,249,700; college share \$7,249,700).....	100
9	Southwestern Michigan College - Nursing and Health	
10	Education Building renovation and expansion - for	
11	program and planning to be paid for from college	
12	resources (estimated total authorized cost	
13	\$8,000,000; state share \$4,000,000; college share	
14	\$4,000,000)	100
15	Department of natural resources - coolwater rearing	
16	hatchery improvements - for program and planning to	
17	be paid for from state resources (estimated total	
18	authorized cost \$12,242,500; state share	
19	\$12,242,500)	100
20	Planning grant for department of health and human	
21	services - Caro Center modernization.....	<u>500,000</u>
22	GROSS APPROPRIATION.....	\$ 501,500
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 501,500
25	(3) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION	
26	AUTHORIZATIONS	
27	Ferris State University - Swan Building annex	

1	renovation (total authorized cost \$30,000,000; state		
2	building authority share \$22,499,800; university		
3	share \$7,500,000; state general fund share \$200)	\$	<u>100</u>
4	GROSS APPROPRIATION.....	\$	100
5	Appropriated from:		
6	State general fund/general purpose	\$	100

7 PART 2

8 PROVISIONS CONCERNING APPROPRIATIONS

9 FOR FISCAL YEAR 2015-2016

10 GENERAL SECTIONS

11 Sec. 201. In accordance with the provisions of section 30 of
 12 article IX of the state constitution of 1963, total state spending
 13 from state resources in this part for the fiscal year ending
 14 September 30, 2016 is \$501,600.00 and state appropriations paid to
 15 local units of government are \$600.00.

16 Sec. 202. The appropriations made and expenditures authorized
 17 under this part and part 1 are subject to the management and budget
 18 act, 1984 PA 431, MCL 18.1101 to 18.1594.

19 CAPITAL OUTLAY

20 Sec. 301. For the state building authority financed
 21 construction authorization in part 1, the legislature hereby
 22 determines that the lease of the facility from the authority is for
 23 a public purpose as authorized by 1964 PA 183, MCL 830.411 to
 24 830.425. The legislature approves and authorizes the lease and

conveyance of the property to the state building authority, the state building authority acquiring the facility and leasing it to the state and the educational institution, as applicable, and the governor and secretary of state executing the lease for and on behalf of the state pursuant to the requirements of 1964 PA 183, MCL 830.411 to 830.425. Per the requirements of the lease, it is the intent of the legislature to annually appropriate sufficient amounts to pay the rent as obligated pursuant to the lease.

ARTICLE V

DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2017, from the following funds:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY

Average population.....	43,655	
Full-time equated unclassified positions.....	16.0	
Full-time equated classified positions.....	13,803.9	
GROSS APPROPRIATION.....		\$ 2,002,729,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....		\$ 2,002,729,000
Federal revenues:		

1	Total federal revenues.....	5,523,700
2	Special revenue funds:	
3	Total local revenues.....	8,692,800
4	Total private revenues.....	0
5	Total other state restricted revenues.....	36,554,600
6	State general fund/general purpose.....	\$ 1,951,957,900
7	Sec. 102. EXECUTIVE	
8	Full-time equated unclassified positions..... 16.0	
9	Full-time equated classified positions..... 20.0	
10	Unclassified positions--16.0 FTE positions.....	\$ 1,793,800
11	Executive direction--20.0 FTE positions.....	<u>4,208,600</u>
12	GROSS APPROPRIATION.....	\$ 6,002,400
13	Appropriated from:	
14	State general fund/general purpose.....	\$ 6,002,400
15	Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT	
16	Full-time equated classified positions..... 336.4	
17	Prisoner reentry local service providers.....	\$ 13,208,600
18	Prisoner reentry MDOC programs.....	9,624,100
19	Prisoner reentry federal grants.....	750,000
20	Reentry services--70.0 FTE positions.....	14,965,100
21	Education program--266.4 FTE positions.....	37,712,800
22	Community corrections comprehensive plans and services	12,158,000
23	Felony drunk driver jail reduction and community	
24	treatment program	1,440,100
25	Residential services.....	15,475,500
26	Public safety initiative.....	4,500,000
27	Goodwill Flip the Script.....	<u>1,500,000</u>

1	GROSS APPROPRIATION.....	\$	111,334,200
2	Appropriated from:		
3	Federal revenues:		
4	DOJ, prisoner reintegration.....		250,000
5	DOJ, second chance act reentry initiative.....		500,000
6	Federal education funding.....		1,757,300
7	Special revenue funds:		
8	Program and special equipment fund.....		5,213,200
9	State general fund/general purpose.....	\$	103,613,700
10	Sec. 104. BUDGET AND OPERATIONS ADMINISTRATION		
11	Full-time equated classified positions.....		247.0
12	Budget and operations administration--185.0 FTE		
13	positions	\$	24,696,700
14	Prison industries operations--62.0 FTE positions		9,837,400
15	New custody staff training.....		9,216,500
16	Compensatory buyout and union leave bank.....		100
17	Worker's compensation.....		14,171,300
18	Rent.....		2,349,100
19	Equipment and special maintenance.....		1,559,700
20	Administrative hearings officers.....		3,407,100
21	Judicial data warehouse user fees.....		50,000
22	Sheriffs' coordinating and training office.....		100,000
23	Prosecutorial and detainer expenses.....		5,001,000
24	County jail reimbursement program.....		<u>15,064,600</u>
25	GROSS APPROPRIATION.....	\$	85,453,500
26	Appropriated from:		
27	Federal revenues:		

1	DOJ, prison rape elimination act grant	674,700
2	Special revenue funds:	
3	Jail reimbursement program fund	5,900,000
4	Program and special equipment fund	100
5	Local corrections officer training fund	100,000
6	Correctional industries revolving fund	10,451,800
7	State general fund/general purpose	\$ 68,326,900
8	Sec. 105. FIELD OPERATIONS ADMINISTRATION	
9	Full-time equated classified positions..... 2,194.6	
10	Field operations--1,881.9 FTE positions	\$ 213,669,400
11	Detroit Detention Center--63.1 FTE positions	8,487,400
12	Detroit Reentry Center--216.6 FTE positions	27,073,900
13	Parole board operations--33.0 FTE positions	3,812,000
14	Parole/probation services	940,000
15	Parole sanction certainty pilot program	1,440,000
16	Supervising region incentive program	2,518,600
17	Criminal justice reinvestment	<u>4,573,300</u>
18	GROSS APPROPRIATION	\$ 262,514,600
19	Appropriated from:	
20	Special revenue funds:	
21	Local - community tether program reimbursement	205,400
22	Local revenues	8,487,400
23	Reentry center offender reimbursements	24,300
24	Parole and probation oversight fees	4,428,600
25	Parole and probation oversight fees set-aside	940,000
26	Tether program participant contributions	2,480,900
27	State general fund/general purpose	\$ 245,948,000

1	Sec. 106. CORRECTIONAL FACILITIES ADMINISTRATION		
2	Full-time equated classified positions.....	318.0	
3	Correctional facilities administration--21.0 FTE		
4	positions	\$	5,046,600
5	Prison food service.....		54,455,900
6	Transportation--211.0 FTE positions.....		24,913,200
7	Central records--52.0 FTE positions.....		6,015,600
8	Inmate legal services.....		790,900
9	Housing inmates in federal institutions.....		611,000
10	Prison store operations--34.0 FTE positions.....		3,294,200
11	Leased beds and alternatives to leased beds.....		100
12	Public works programs.....		1,000,000
13	Cost-effective housing initiative.....		100
14	Inmate housing fund.....		100
15	GROSS APPROPRIATION.....	\$	96,127,700
16	Appropriated from:		
17	Federal revenues:		
18	DOJ-BOP, federal prisoner reimbursement.....		411,000
19	SSA-SSI, incentive payment.....		272,000
20	Special revenue funds:		
21	Correctional industries revolving fund.....		569,000
22	Public works user fees.....		1,000,000
23	Resident stores.....		3,294,200
24	State general fund/general purpose.....	\$	90,581,500
25	Sec. 107. HEALTH CARE		
26	Full-time equated classified positions.....	1,464.1	
27	Health care administration--21.0 FTE positions.....	\$	3,690,800

1	Prisoner health care services.....	69,880,400
2	Vaccination program.....	691,200
3	Interdepartmental grant to health and human services,	
4	eligibility specialists	100,000
5	Mental health services and support--372.0 FTE	
6	positions	60,465,700
7	Clinical complexes--1,051.1 FTE positions.....	143,622,300
8	Hepatitis C treatment.....	14,935,000
9	Substance abuse testing and treatment services--8.0	
10	FTE positions	21,590,600
11	Healthy Michigan plan administration--12.0 FTE	
12	positions	<u>1,100,700</u>
13	GROSS APPROPRIATION.....	\$ 316,076,700
14	Appropriated from:	
15	Federal revenues:	
16	Federal revenues and reimbursements.....	373,700
17	DOJ, Office of Justice Programs, RSAT.....	250,200
18	Special revenue funds:	
19	Prisoner health care copayments.....	257,200
20	State general fund/general purpose.....	\$ 315,195,600
21	Sec. 108. CORRECTIONAL FACILITIES	
22	Average population	43,655
23	Full-time equated classified positions.....	9,223.8
24	Alger Correctional Facility - Munising--260.0 FTE	
25	positions	\$ 30,592,600
26	Baraga Correctional Facility - Baraga--294.8 FTE	
27	positions	35,293,400

1	Bellamy Creek Correctional Facility - Ionia--390.2 FTE	
2	positions	43,795,600
3	Earnest C. Brooks Correctional Facility - Muskegon--	
4	440.9 FTE positions	50,687,600
5	Carson City Correctional Facility - Carson City--425.4	
6	FTE positions	48,491,500
7	Central Michigan Correctional Facility - St. Louis--	
8	391.6 FTE positions	46,681,300
9	Chippewa Correctional Facility - Kincheloe--435.1 FTE	
10	positions	50,344,100
11	Cooper Street Correctional Facility - Jackson--263.1	
12	FTE positions	29,702,000
13	G. Robert Cotton Correctional Facility - Jackson--	
14	392.3 FTE positions	44,413,200
15	Charles E. Egeler Correctional Facility - Jackson--	
16	374.6 FTE positions	44,425,500
17	Richard A. Handlon Correctional Facility - Ionia--	
18	252.7 FTE positions	29,795,100
19	Gus Harrison Correctional Facility - Adrian--442.6 FTE	
20	positions	49,366,400
21	Ionia Correctional Facility - Ionia--286.3 FTE	
22	positions	33,682,200
23	Kinross Correctional Facility - Kincheloe--268.1 FTE	
24	positions	33,138,100
25	Lakeland Correctional Facility - Coldwater--279.4 FTE	
26	positions	33,268,200
27	Macomb Correctional Facility - New Haven--294.8 FTE	

1	positions	34,622,300
2	Marquette Branch Prison - Marquette--321.7 FTE	
3	positions	39,175,100
4	Michigan Reformatory - Ionia--311.7 FTE positions	35,418,300
5	Muskegon Correctional Facility - Muskegon--205.0 FTE	
6	positions	25,400,500
7	Newberry Correctional Facility - Newberry--200.1 FTE	
8	positions	24,345,100
9	Oaks Correctional Facility - Eastlake--290.4 FTE	
10	positions	34,072,200
11	Ojibway Correctional Facility - Marenisco--203.1 FTE	
12	positions	23,486,000
13	Parnall Correctional Facility - Jackson--260.0 FTE	
14	positions	28,374,500
15	Saginaw Correctional Facility - Freeland--274.9 FTE	
16	positions	32,909,600
17	Special Alternative Incarceration Program - Cassidy	
18	Lake--119.0 FTE positions	13,733,700
19	St. Louis Correctional Facility - St. Louis--303.6 FTE	
20	positions	36,687,100
21	Thumb Correctional Facility - Lapeer--283.6 FTE	
22	positions	32,997,500
23	Womens Huron Valley Correctional Complex - Ypsilanti--	
24	501.9 FTE positions	59,117,400
25	Woodland Correctional Facility - Whitmore Lake--284.9	
26	FTE positions	33,272,600
27	Future facility.....	100

1	Northern region administration and support--48.0 FTE	
2	positions	5,551,100
3	Southern region administration and support--124.0 FTE	
4	positions	<u>24,098,000</u>
5	GROSS APPROPRIATION.....	\$ 1,086,937,900
6	Appropriated from:	
7	Federal revenues:	
8	DOJ, state criminal alien assistance program.....	1,034,800
9	Special revenue funds:	
10	State restricted revenues and reimbursements	102,100
11	State general fund/general purpose	\$ 1,085,801,000
12	Sec. 109. INFORMATION TECHNOLOGY	
13	Information technology services and projects	\$ <u>28,813,300</u>
14	GROSS APPROPRIATION.....	\$ 28,813,300
15	Appropriated from:	
16	Special revenue funds:	
17	Correctional industries revolving fund.....	177,100
18	Parole and probation oversight fees set-aside	694,800
19	Program and special equipment fund.....	440,000
20	State general fund/general purpose	\$ 27,501,400
21	Sec. 110. ONE-TIME APPROPRIATIONS	
22	New custody staff training.....	\$ 8,506,100
23	Ballistic vests.....	481,300
24	Supervising region incentive program.....	<u>481,300</u>
25	GROSS APPROPRIATION.....	\$ 9,468,700
26	Appropriated from:	
27	Special revenue funds:	

1	Program and special equipment fund.....		481,300
2	State general fund/general purpose.....	\$	8,987,400

3 PART 2

4 PROVISIONS CONCERNING APPROPRIATIONS

5 FOR FISCAL YEAR 2016-2017

6 **GENERAL SECTIONS**

7 Sec. 201. Pursuant to section 30 of article IX of the state

8 constitution of 1963, total state spending from state resources

9 under part 1 for fiscal year 2016-2017 is \$1,988,512,500.00 and

10 state spending from state resources to be paid to local units of

11 government for fiscal year 2016-2017 is \$111,888,200.00. The

12 itemized statement below identifies appropriations from which

13 spending to local units of government will occur:

14 DEPARTMENT OF CORRECTIONS

15	Field operations - assumption of county		
16	probation staff	\$	61,749,900
17	Community corrections comprehensive plans		
18	and services		12,158,000
19	Reentry services - intensive detention reentry program		1,500,000
20	Residential services.....		15,475,500
21	County jail reimbursement program.....		15,064,600
22	Felony drunk driver jail reduction and		
23	community treatment program		1,440,100
24	Leased beds and alternatives to leased beds		100
25	Public safety initiative.....		<u>4,500,000</u>

1 TOTAL..... \$ 111,888,200

2 Sec. 202. The appropriations authorized under this part and
3 part 1 are subject to the management and budget act, 1984 PA 431,
4 MCL 18.1101 to 18.1594.

5 Sec. 203. As used in this part and part 1:

6 (a) "Administrative segregation" means confinement for
7 maintenance of order or discipline to a cell or room apart from
8 accommodations provided for inmates who are participating in
9 programs of the facility.

10 (b) "Cost per prisoner" means the sum total of the funds
11 appropriated under part 1 for the following, divided by the
12 projected prisoner population in fiscal year 2016-2017:

- 13 (i) Correctional facilities.
14 (ii) Northern and southern region administration and support.
15 (iii) Clinical and mental health services and support.
16 (iv) Prisoner health care services.
17 (v) Vaccination program.
18 (vi) Prison food service.
19 (vii) Transportation.
20 (viii) Inmate legal services.
21 (ix) Correctional facilities administration.
22 (x) Central records.
23 (xi) Worker's compensation.
24 (xii) New custody staff training.
25 (xiii) Prison store operations.
26 (xiv) Education program.
27 (c) "Department" or "MDOC" means the Michigan department of

1 corrections.

2 (d) "DOJ" means the United States Department of Justice.

3 (e) "DOJ-BOP" means the DOJ Bureau of Prisons.

4 (f) "EPIC program" means the department's effective process
5 improvement and communications program.

6 (g) "Evidence-based practices" or "EBP" means a decision-
7 making process that integrates the best available research,
8 clinician expertise, and client characteristics.

9 (h) "FTE" means full-time equated.

10 (i) "Goal" means the intended or projected result of a
11 comprehensive corrections plan or community corrections program to
12 reduce repeat offending, criminogenic and high-risk behaviors,
13 prison commitment rates, to reduce the length of stay in a jail, or
14 to improve the utilization of a jail.

15 (j) "IDG" means interdepartmental grant.

16 (k) "Jail" means a facility operated by a local unit of
17 government for the physical detention and correction of persons
18 charged with or convicted of criminal offenses.

19 (l) "MDHHS" means the Michigan department of health and human
20 services.

21 (m) "MDSP" means the Michigan department of state police.

22 (n) "Medicaid benefit" means a benefit paid or payable under a
23 program for medical assistance under the social welfare act, 1939
24 PA 280, MCL 400.1 to 400.119b.

25 (o) "Objective risk and needs assessment" means an evaluation
26 of an offender's criminal history; the offender's noncriminal
27 history; and any other factors relevant to the risk the offender

1 would present to the public safety, including, but not limited to,
2 having demonstrated a pattern of violent behavior, and a criminal
3 record that indicates a pattern of violent offenses.

4 (p) "OCC" means office of community corrections.

5 (q) "Offender eligibility criteria" means particular criminal
6 violations, state felony sentencing guidelines descriptors, and
7 offender characteristics developed by advisory boards and approved
8 by local units of government that identify the offenders suitable
9 for community corrections programs funded through the office of
10 community corrections.

11 (r) "Offender success" means that an offender has, with the
12 support of the community, intervention of the field agent, and
13 benefit of any participation in programs and treatment, made an
14 adjustment while at liberty in the community such that he or she
15 has not been sentenced to or returned to prison for the conviction
16 of a new crime or the revocation of probation or parole.

17 (s) "Offender target populations" means felons or
18 misdemeanants who would likely be sentenced to imprisonment in a
19 state correctional facility or jail, who would not likely increase
20 the risk to the public safety based on an objective risk and needs
21 assessment that indicates that the offender can be safely treated
22 and supervised in the community.

23 (t) "Offender who would likely be sentenced to imprisonment"
24 means either of the following:

25 (i) A felon or misdemeanor who receives a sentencing
26 disposition that appears to be in place of incarceration in a state
27 correctional facility or jail, according to historical local

1 sentencing patterns.

2 (ii) A currently incarcerated felon or misdemeanor who is
3 granted early release from incarceration to a community corrections
4 program or who is granted early release from incarceration as a
5 result of a community corrections program.

6 (u) "Programmatic success" means that the department program
7 or initiative has ensured that the offender has accomplished all of
8 the following:

9 (i) Obtained employment, has enrolled or participated in a
10 program of education or job training, or has investigated all bona
11 fide employment opportunities.

12 (ii) Obtained housing.

13 (iii) Obtained a state identification card.

14 (v) "Recidivism" means the return of an individual to prison
15 within 3 years after he or she is released either with a new
16 sentence to prison or as a technical violator of parole conditions.

17 (w) "RSAT" means residential substance abuse treatment.

18 (x) "Serious emotional disturbance" means that term as defined
19 in section 100d(2) of the mental health code, 1974 PA 328, MCL
20 330.1100d.

21 (y) "Serious mental illness" means that term as defined in
22 section 100d(3) of the mental health code, 1974 PA 328, MCL
23 330.1100d.

24 (z) "SSA" means the United States Social Security
25 Administration.

26 (aa) "SSA-SSI" means SSA supplemental security income.

27 Sec. 206. The department shall not take disciplinary action

1 against an employee or a prisoner for communicating with a member
2 of the legislature or his or her staff.

3 Sec. 208. The department shall use the Internet to fulfill the
4 reporting requirements of this part. This requirement may include
5 transmission of reports via electronic mail to the recipients
6 identified for each reporting requirement or it may include
7 placement of reports on an Internet or Intranet site.

8 Sec. 209. Funds appropriated in part 1 shall not be used for
9 the purchase of foreign goods or services, or both, if
10 competitively priced and of comparable quality American goods or
11 services, or both, are available. Preference shall be given to
12 goods or services, or both, manufactured or provided by Michigan
13 businesses, if they are competitively priced and of comparable
14 quality. In addition, preference should be given to goods or
15 services, or both, that are manufactured or provided by Michigan
16 businesses owned and operated by veterans, if they are
17 competitively priced and of comparable quality.

18 Sec. 211. The department may charge fees and collect revenues
19 in excess of appropriations in part 1 not to exceed the cost of
20 offender services and programming, employee meals, parolee loans,
21 academic/vocational services, custody escorts, compassionate
22 visits, union steward activities, and public works programs and
23 services provided to local units of government or private nonprofit
24 organizations. The revenues and fees collected are appropriated for
25 all expenses associated with these services and activities.

26 Sec. 212. On a quarterly basis, the department shall report on
27 the number of full-time equated positions in pay status by civil

1 service classification to the senate and house appropriations
2 subcommittees on corrections, the legislative corrections
3 ombudsman, and the senate and house fiscal agencies. This report
4 shall include a detailed accounting of the long-term vacancies that
5 exist within each department. As used in this subsection, "long-
6 term vacancy" means any full-time equated position that has not
7 been filled at any time during the past 24 calendar months.

8 Sec. 214. The department shall receive and retain copies of
9 all reports funded from appropriations in part 1. Federal and state
10 guidelines for short-term and long-term retention of records shall
11 be followed. The department may electronically retain copies of
12 reports unless otherwise required by federal and state guidelines.

13 Sec. 216. The department shall prepare a report on out-of-
14 state travel expenses not later than January 1 of each year. The
15 travel report shall be a listing of all travel by classified and
16 unclassified employees outside this state in the immediately
17 preceding fiscal year that was funded in whole or in part with
18 funds appropriated in the department's budget. The report shall be
19 submitted to the senate and house appropriations committees, the
20 senate and house fiscal agencies, and the state budget director.
21 The report shall include the following information:

22 (a) The dates of each travel occurrence.

23 (b) The total transportation and related costs of each travel
24 occurrence, including the proportion funded with state general
25 fund/general purpose revenues, the proportion funded with state
26 restricted revenues, the proportion funded with federal revenues,
27 and the proportion funded with other revenues.

1 Sec. 219. (1) Any contract for prisoner telephone services
2 entered into after the effective date of this section shall include
3 a condition that fee schedules for prisoner telephone calls,
4 including rates and any surcharges other than those necessary to
5 meet program and special equipment costs, be the same as fee
6 schedules for calls placed from outside of correctional facilities.

7 (2) Revenues appropriated and collected for program and
8 special equipment funds shall be considered state restricted
9 revenue. Funding shall be used for prisoner programming, special
10 equipment, and security projects. Unexpended funds remaining at the
11 close of the fiscal year shall not lapse to the general fund but
12 shall be carried forward and be available for appropriation in
13 subsequent fiscal years.

14 (3) The department shall submit a report to the senate and
15 house appropriations subcommittees on corrections, the senate and
16 house fiscal agencies, the legislative corrections ombudsman, and
17 the state budget director by February 1 outlining revenues and
18 expenditures from program and special equipment funds. The report
19 shall include all of the following:

20 (a) A list of all individual projects and purchases financed
21 with program and special equipment funds in the immediately
22 preceding fiscal year, the amounts expended on each project or
23 purchase, and the name of each vendor the products or services were
24 purchased from.

25 (b) A list of planned projects and purchases to be financed
26 with program and special equipment funds during the current fiscal
27 year, the amounts to be expended on each project or purchase, and

1 the name of each vendor for which the products or services were
2 purchased.

3 (c) A review of projects and purchases planned for future
4 fiscal years from program and special equipment funds.

5 Sec. 220. Not later than November 30, the state budget office
6 shall prepare and transmit a report that provides for estimates of
7 the total general fund/general purpose appropriation lapses at the
8 close of the fiscal year. This report shall summarize the projected
9 year-end general fund/general purpose appropriation lapses by major
10 departmental program or program areas. The report shall be
11 transmitted to the chairpersons of the senate and house
12 appropriations committees and the senate and house fiscal agencies.

13 Sec. 221. The department shall cooperate with the department
14 of technology, management, and budget to maintain a searchable
15 website accessible by the public at no cost that includes, but is
16 not limited to, all of the following for the department:

17 (a) Fiscal year-to-date expenditures by category.

18 (b) Fiscal year-to-date expenditures by appropriation unit.

19 (c) Fiscal year-to-date payments to a selected vendor,
20 including the vendor name, payment date, payment amount, and
21 payment description.

22 (d) The number of active department employees by job
23 classification.

24 (e) Job specifications and wage rates.

25 Sec. 223. (1) In addition to the funds appropriated in part 1,
26 there is appropriated an amount not to exceed \$10,000,000.00 for
27 federal contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in part 1 under section 393(2) of the management and budget act,
3 1984 PA 431, MCL 18.1393.

4 (2) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$10,000,000.00 for state
6 restricted contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 under section 393(2) of the management and budget act,
9 1984 PA 431, MCL 18.1393.

10 (3) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$2,000,000.00 for local
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in part 1
14 under section 393(2) of the management and budget act, 1984 PA 431,
15 MCL 18.1393.

16 (4) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$2,000,000.00 for private
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in part 1
20 under section 393(2) of the management and budget act, 1984 PA 431,
21 MCL 18.1393.

22 Sec. 229. Within 14 days after the release of the executive
23 budget recommendation, the department shall cooperate with the
24 state budget office to provide the chairpersons of the senate and
25 house appropriations committees, the chairpersons of the senate and
26 house appropriations subcommittees on corrections, and the senate
27 and house fiscal agencies with an annual report on estimated state

1 restricted fund balances, state restricted fund projected revenues,
2 and state restricted fund expenditures for the fiscal years ending
3 September 30, 2016 and September 30, 2017.

4 Sec. 230. Funds appropriated in part 1 shall not be used by
5 the department to hire a person to provide legal services that are
6 the responsibility of the attorney general. This prohibition does
7 not apply to legal services for bonding activities and for those
8 outside services that the attorney general authorizes.

9 Sec. 231. The department shall maintain, on a publicly
10 accessible website, a department scorecard that identifies, tracks,
11 and regularly updates key metrics that are used to monitor and
12 improve the department's performance.

13 Sec. 239. It is the intent of the legislature that the
14 department establish and maintain a management-to-staff ratio of
15 not more than 1 supervisor for each 8 employees at the department's
16 central office in Lansing and at both the northern and southern
17 region administration offices.

18 Sec. 246. Total authorized appropriations from all sources
19 under part 1 for legacy costs for the fiscal year ending September
20 30, 2017 are \$337,858,200.00. From this amount, total department
21 appropriations for pension-related legacy costs are estimated at
22 \$187,327,100.00. Total department appropriations for retiree health
23 care legacy costs are estimated at \$150,531,100.00.

24 **EXECUTIVE**

25 Sec. 301. For 3 years after a felony offender is released from
26 the department's jurisdiction, the department shall maintain the

1 offender's file on the offender tracking information system and
2 make it publicly accessible in the same manner as the file of the
3 current offender. However, the department shall immediately remove
4 the offender's file from the offender tracking information system
5 upon determination that the offender was wrongfully convicted and
6 the offender's file is not otherwise required to be maintained on
7 the offender tracking information system.

8 Sec. 304. The department shall maintain a staff savings
9 initiative program in conjunction with the EPIC program for
10 employees to submit suggestions for efficiencies for the
11 department. The department shall consider each suggestion in a
12 timely manner. By March 1, the department shall report to the
13 senate and house appropriations subcommittees on corrections, the
14 legislative corrections ombudsman, the senate and house fiscal
15 agencies, and the state budget director on process improvements
16 that were implemented based on suggestions that were recommended
17 for implementation from the staff savings initiative and EPIC
18 programs.

19 **PRISONER REENTRY AND COMMUNITY SUPPORT**

20 Sec. 401. The department shall submit 3-year and 5-year prison
21 population projection updates concurrent with submission of the
22 executive budget recommendation to the senate and house
23 appropriations subcommittees on corrections, the legislative
24 corrections ombudsman, the senate and house fiscal agencies, and
25 the state budget director. The report shall include explanations of
26 the methodology and assumptions used in developing the projection

1 updates.

2 Sec. 402. By March 1, the department shall provide a report on
3 prisoner reentry expenditures and allocations to the members of the
4 senate and house appropriations subcommittees on corrections, the
5 legislative corrections ombudsman, the senate and house fiscal
6 agencies, and the state budget director. At a minimum, the report
7 shall include information on both of the following:

8 (a) Details on prior-year expenditures, including amounts
9 spent on each project funded, itemized by service provided and
10 service provider.

11 (b) Allocations and planned expenditures for each project
12 funded and for each project to be funded, itemized by service to be
13 provided and service provider. The department shall provide an
14 amended report quarterly, if any revisions to allocations or
15 planned expenditures occurred during that quarter.

16 Sec. 405. By March 1, the department shall report to the
17 senate and house appropriations subcommittees on corrections, the
18 legislative corrections ombudsman, the senate and house fiscal
19 agencies, and the state budget director on substance abuse testing
20 and treatment program objectives, outcome measures, and results,
21 including program impact on offender success and programmatic
22 success.

23 Sec. 407. By June 30, the department shall place the
24 statistical report from the immediately preceding calendar year on
25 an Internet site. The statistical report shall include, but not be
26 limited to, the information as provided in the 2004 statistical
27 report.

1 Sec. 408. The department shall measure the recidivism rates of
2 offenders.

3 Sec. 409. (1) The department shall engage with the talent
4 investment agency within the department of talent and economic
5 development and local entities to design services and shall use
6 appropriations provided in part 1 for reentry and vocational
7 education programs. The department shall ensure that the
8 collaboration provides relevant professional development
9 opportunities to prisoners to ensure that the programs are high
10 quality, demand driven, locally receptive, and responsive to the
11 needs of communities where the prisoners are expected to reside
12 after their release from correctional facilities. The programs
13 shall begin upon the intake of the prisoner into a department
14 facility.

15 (2) It is the intent of the legislature that the workforce
16 development programming continue through the entire duration of the
17 prisoner's incarceration to encourage employment upon release.

18 (3) By March 1, the department shall provide a report to the
19 senate and house appropriations subcommittees on corrections, the
20 legislative corrections ombudsman, and the senate and house fiscal
21 agencies detailing the results of the workforce development
22 program.

23 Sec. 410. (1) The funds included in part 1 for community
24 corrections comprehensive plans and services are to encourage the
25 development through technical assistance grants, implementation,
26 and operation of community corrections programs that enhance
27 offender success and that also may serve as an alternative to

1 incarceration in a state facility or jail. The comprehensive
2 corrections plans shall include an explanation of how the public
3 safety will be maintained, the goals for the local jurisdiction,
4 offender target populations intended to be affected, offender
5 eligibility criteria for purposes outlined in the plan, and how the
6 plans will meet the following objectives, consistent with section
7 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

8 (a) Reduce admissions to prison of offenders who would likely
9 be sentenced to imprisonment, including probation violators.

10 (b) Improve the appropriate utilization of jail facilities,
11 the first priority of which is to open jail beds intended to house
12 otherwise prison-bound felons, and the second priority being to
13 appropriately utilize jail beds so that jail crowding does not
14 occur.

15 (c) Open jail beds through the increase of pretrial release
16 options.

17 (d) Reduce the readmission to prison of parole violators.

18 (e) Reduce the admission or readmission to prison of
19 offenders, including probation violators and parole violators, for
20 substance abuse violations.

21 (f) Contribute to offender success.

22 (2) The award of community corrections comprehensive plans and
23 residential services funds shall be based on criteria that include,
24 but are not limited to, the prison commitment rate by category of
25 offenders, trends in prison commitment rates and jail utilization,
26 historical trends in community corrections program capacity and
27 program utilization, and the projected impact and outcome of annual

1 policies and procedures of programs on offender success, prison
2 commitment rates, and jail utilization.

3 (3) Funds awarded for residential services in part 1 shall
4 provide for a per diem reimbursement of not more than \$47.50 for
5 nonaccredited facilities, or of not more than \$48.50 for facilities
6 that have been accredited by the American Corrections Association
7 or a similar organization as approved by the department.

8 Sec. 411. The comprehensive corrections plans shall also
9 include, where appropriate, descriptive information on the full
10 range of sanctions and services that are available and utilized
11 within the local jurisdiction and an explanation of how jail beds,
12 residential services, the special alternative incarceration
13 program, probation detention centers, the electronic monitoring
14 program for probationers, and treatment and rehabilitative services
15 will be utilized to support the objectives and priorities of the
16 comprehensive corrections plans and the purposes and priorities of
17 section 8(4) of the community corrections act, 1988 PA 511, MCL
18 791.408, that contribute to the success of offenders. The plans
19 shall also include, where appropriate, provisions that detail how
20 the local communities plan to respond to sentencing guidelines
21 found in chapter XVII of the code of criminal procedure, 1927 PA
22 175, MCL 777.1 to 777.69, and use the county jail reimbursement
23 program under section 414. The state community corrections board
24 shall encourage local community corrections advisory boards to
25 include in their comprehensive corrections plans strategies to
26 collaborate with local alcohol and drug treatment agencies of the
27 MDHHS for the provision of alcohol and drug screening, assessment,

1 case management planning, and delivery of treatment to alcohol- and
2 drug-involved offenders.

3 Sec. 412. (1) As part of the March biannual report specified
4 in section 12(2) of the community corrections act, 1988 PA 511, MCL
5 791.412, that requires an analysis of the impact of that act on
6 prison admissions and jail utilization, the department shall submit
7 to the senate and house appropriations subcommittees on
8 corrections, the legislative corrections ombudsman, the senate and
9 house fiscal agencies, and the state budget director the following
10 information for each county and counties consolidated for
11 comprehensive corrections plans:

12 (a) Approved technical assistance grants and comprehensive
13 corrections plans including each program and level of funding, the
14 utilization level of each program, and profile information of
15 enrolled offenders.

16 (b) If federal funds are made available, the number of
17 participants funded, the number served, the number successfully
18 completing the program, and a summary of the program activity.

19 (c) Status of the community corrections information system and
20 the jail population information system.

21 (d) Data on residential services, including participant data,
22 participant sentencing guideline scores, program expenditures,
23 average length of stay, and bed utilization data.

24 (e) Offender disposition data by sentencing guideline range,
25 by disposition type, by prior record variable score, by number and
26 percent statewide and by county, current year, and comparisons to
27 the previous 3 years.

1 (f) Data on the use of funding made available under the felony
2 drunk driver jail reduction and community treatment program.

3 (2) The report required under subsection (1) shall include the
4 total funding allocated, program expenditures, required program
5 data, and year-to-date totals.

6 Sec. 413. (1) The department shall identify and coordinate
7 information regarding the availability of and the demand for
8 community corrections programs, jail-based community corrections
9 programs, jail-based probation violation sanctions, and all state-
10 required jail data.

11 (2) The department is responsible for the collection,
12 analysis, and reporting of all state-required jail data.

13 (3) As a prerequisite to participation in the programs and
14 services offered through the department, counties shall provide
15 necessary jail data to the department.

16 Sec. 414. (1) The department shall administer a county jail
17 reimbursement program from the funds appropriated in part 1 for the
18 purpose of reimbursing counties for housing in jails certain felons
19 who otherwise would have been sentenced to prison.

20 (2) The county jail reimbursement program shall reimburse
21 counties for convicted felons in the custody of the sheriff if the
22 conviction was for a crime committed on or after January 1, 1999
23 and 1 of the following applies:

24 (a) The felon's sentencing guidelines recommended range upper
25 limit is more than 18 months, the felon's sentencing guidelines
26 recommended range lower limit is 12 months or less, the felon's
27 prior record variable score is 35 or more points, and the felon's

1 sentence is not for commission of a crime in crime class G or crime
2 class H or a nonperson crime in crime class F under chapter XVII of
3 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

4 (b) The felon's minimum sentencing guidelines range minimum is
5 more than 12 months under the sentencing guidelines described in
6 subdivision (a).

7 (c) The felon was sentenced to jail for a felony committed
8 while he or she was on parole and under the jurisdiction of the
9 parole board and for which the sentencing guidelines recommended
10 range for the minimum sentence has an upper limit of more than 18
11 months.

12 (3) State reimbursement under this subsection shall be \$65.00
13 per diem per diverted offender for offenders with a presumptive
14 prison guideline score, \$55.00 per diem per diverted offender for
15 offenders with a straddle cell guideline for a group 1 crime, and
16 \$40.00 per diem per diverted offender for offenders with a straddle
17 cell guideline for a group 2 crime. Reimbursements shall be paid
18 for sentences up to a 1-year total.

19 (4) As used in this subsection:

20 (a) "Group 1 crime" means a crime in 1 or more of the
21 following offense categories: arson, assault, assaultive other,
22 burglary, criminal sexual conduct, homicide or resulting in death,
23 other sex offenses, robbery, and weapon possession as determined by
24 the department of corrections based on specific crimes for which
25 counties received reimbursement under the county jail reimbursement
26 program in fiscal year 2007 and fiscal year 2008, and listed in the
27 county jail reimbursement program document titled "FY 2007 and FY

1 2008 Group One Crimes Reimbursed", dated March 31, 2009.

2 (b) "Group 2 crime" means a crime that is not a group 1 crime,
3 including larceny, fraud, forgery, embezzlement, motor vehicle,
4 malicious destruction of property, controlled substance offense,
5 felony drunk driving, and other nonassaultive offenses.

6 (c) "In the custody of the sheriff" means that the convicted
7 felon has been sentenced to the county jail and is either housed in
8 the county jail or has been released from jail and is being
9 monitored through the use of the sheriff's electronic monitoring
10 system.

11 (5) County jail reimbursement program expenditures shall not
12 exceed the amount appropriated in part 1 for the county jail
13 reimbursement program. Payments to counties under the county jail
14 reimbursement program shall be made in the order in which properly
15 documented requests for reimbursements are received. A request
16 shall be considered to be properly documented if it meets MDOC
17 requirements for documentation. By October 15, the department shall
18 distribute the documentation requirements to all counties.

19 (6) Any county that receives funding under this section for
20 the purpose of housing in jails certain felons who otherwise would
21 have been sentenced to prison shall, as a condition of receiving
22 the funding, report by September 30 an annual average jail capacity
23 and annual average jail occupancy for the immediately preceding
24 fiscal year.

25 Sec. 416. Allowable uses of felony drunk driver jail reduction
26 and community treatment program funding shall include reimbursing
27 counties for transportation, treatment costs, and housing felony

1 drunk drivers during a period of assessment for treatment and case
2 planning. Reimbursements for housing during the assessment process
3 shall be at the rate of \$43.50 per day per offender, up to a
4 maximum of 5 days per offender.

5 Sec. 417. (1) By March 1, the department shall report to the
6 members of the senate and house appropriations subcommittees on
7 corrections, the legislative corrections ombudsman, the senate and
8 house fiscal agencies, and the state budget director on each of the
9 following programs from the previous fiscal year:

10 (a) The county jail reimbursement program.

11 (b) The felony drunk driver jail reduction and community
12 treatment program.

13 (c) Any new initiatives to control prison population growth
14 funded or proposed to be funded under part 1.

15 (2) For each program listed under subsection (1), the report
16 shall include information on each of the following:

17 (a) Program objectives and outcome measures, including, but
18 not limited to, the number of offenders who successfully completed
19 the program, and the number of offenders who successfully remained
20 in the community during the 3 years following termination from the
21 program.

22 (b) Expenditures by location.

23 (c) The impact on jail utilization.

24 (d) The impact on prison admissions.

25 (e) Other information relevant to an evaluation of the
26 program.

27 Sec. 418. (1) The department shall collaborate with the state

1 court administrative office on facilitating changes to Michigan
2 court rules that would require the court to collect at the time of
3 sentencing the state operator's license, state identification card,
4 or other documentation used to establish the identity of the
5 individual to be admitted to the department. The department shall
6 maintain those documents in the prisoner's personal file.

7 (2) The department shall cooperate with MDHHS to create and
8 maintain a process by which prisoners can obtain their Michigan
9 birth certificates if necessary. The department shall describe a
10 process for obtaining birth certificates from other states, and in
11 situations where the prisoner's effort fails, the department shall
12 assist in obtaining the birth certificate.

13 (3) The department shall collaborate with the department of
14 military and veterans affairs to create and maintain a process by
15 which prisoners can obtain a copy of their DD Form 214 or other
16 military discharge documentation if necessary.

17 Sec. 419. (1) The department shall provide weekly electronic
18 mail reports to the senate and house appropriations subcommittees
19 on corrections, the legislative corrections ombudsman, the senate
20 and house fiscal agencies, and the state budget director on
21 prisoner populations by security levels by facility, prison
22 facility capacities, and parolee and probationer populations.

23 (2) The department shall provide monthly electronic mail
24 reports to the senate and house appropriations subcommittees on
25 corrections, the legislative corrections ombudsman, the senate and
26 house fiscal agencies, and the state budget director. The reports
27 shall include information on end-of-month prisoner populations in

1 county jails, the net operating capacity according to the most
2 recent certification report, identified by date, and end-of-month
3 data, year-to-date data, and comparisons to the prior year for the
4 following:

5 (a) Community residential program populations, separated by
6 centers and electronic monitoring.

7 (b) Parole populations.

8 (c) Probation populations, with identification of the number
9 in special alternative incarceration.

10 (d) Prison and camp populations, with separate identification
11 of the number in special alternative incarceration and the number
12 of lifers.

13 (e) Prisoners classified as past their earliest release date.

14 (f) Parole board activity, including the numbers and
15 percentages of parole grants and parole denials.

16 (g) Prisoner exits, identifying transfers to community
17 placement, paroles from prisons and camps, paroles from community
18 placement, total movements to parole, prison intake, prisoner
19 deaths, prisoners discharging on the maximum sentence, and other
20 prisoner exits.

21 (h) Prison intake and returns, including probation violators,
22 new court commitments, violators with new sentences, escaper new
23 sentences, total prison intake, returns from court with additional
24 sentences, community placement returns, technical parole violator
25 returns, and total returns to prison and camp.

26 Sec. 421. (1) Funds appropriated in part 1 for the parole
27 sanction certainty pilot program shall be distributed to an

1 American Correctional Association accredited rehabilitation
2 organization operating in any of the following counties: Berrien,
3 Calhoun, Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland,
4 Saginaw, and Wayne for operations and administration of the pilot
5 program. The pilot program may be utilized as a condition of parole
6 for technical parole violators to ensure public safety and justice
7 through a program based on evidence-based tactics and programs.

8 (2) The program or programs selected shall report by March 30
9 to the department, the senate and house appropriations
10 subcommittees on corrections, the senate and house fiscal agencies,
11 the legislative corrections ombudsman, and the state budget
12 director. The report shall include program performance
13 measurements, the number of individuals who participate in the
14 pilot program, the number of individuals who return to prison after
15 participating, and outcomes of participants who complete the
16 program.

17 Sec. 422. (1) On a quarterly basis, the department shall issue
18 a report to the senate and house appropriations subcommittees on
19 corrections, the senate and house fiscal agencies, and the
20 legislative corrections ombudsman, for the previous 4 quarters
21 detailing the outcomes of prisoners who have been reviewed for
22 parole. The report shall include all of the following:

23 (a) How many prisoners in each quarter were reviewed.

24 (b) How many prisoners were granted parole.

25 (c) How many prisoners were denied parole.

26 (d) How many parole decisions were deferred.

27 (e) The distribution of the total number of prisoners reviewed

1 during that quarter grouped by whether the prisoner had been
2 interviewed for the first, second, third, fourth, fifth, sixth, or
3 more than sixth time.

4 (f) The number of paroles granted, denied, or deferred for
5 each of the parole guideline scores of low, average, and high.

6 (g) The reason for denying or deferring parole.

7 Sec. 425. (1) From the funds appropriated in part 1, the
8 department shall establish a medication-assisted treatment reentry
9 pilot program to provide prerelease treatment and postrelease
10 referral for opioid-addicted and alcohol-addicted offenders who
11 voluntarily participate in the medication-assisted treatment
12 reentry pilot program. The department shall collaborate with
13 residential and nonresidential substance abuse treatment providers
14 and with community-based clinics to provide postrelease treatment.
15 The program shall employ a multifaceted approach to treatment,
16 including a long-acting nonaddictive medication approved by the
17 Food and Drug Administration for the treatment of opioid and
18 alcohol dependence, counseling, and postrelease referral to
19 community-based providers.

20 (2) The manufacturer of a long-acting nonaddictive medication
21 approved by the Food and Drug Administration for opioid and alcohol
22 dependence shall provide the department with samples of the
23 medication, at no cost to the department, during the duration of
24 the medication-assisted treatment reentry pilot program. Offenders
25 shall receive 1 injection prior to being released from custody and
26 shall be connected with an aftercare plan and assistance with
27 obtaining insurance to cover subsequent injections.

1 (3) Participants of the program shall be required to attend
2 substance abuse treatment programming as directed by their agent,
3 shall be subject to routine drug and alcohol testing, shall not be
4 allowed to consume drugs or alcohol, and shall possess a strong
5 will to overcome addiction.

6 (4) The department shall submit a report by September 30 to
7 the senate and house appropriations subcommittees on corrections,
8 the senate and house fiscal agencies, the legislative corrections
9 ombudsman, and the state budget director on the number of offenders
10 who received injections upon release, the number of offenders who
11 received injections and tested positive for drugs or alcohol, the
12 number of offenders who received injections in the community for a
13 duration of at least 3 months, and the number of offenders who
14 received injections and were subsequently returned to prison.

15 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip
16 the Script shall be distributed to a Michigan-chartered 501(c)(3)
17 nonprofit corporation operating in a county with greater than
18 1,500,000 people for administration and expansion of a program
19 which serves a population of persons aged 16 to 29. The program
20 shall target those who are entering the criminal justice system for
21 the first or second time and shall assist those individuals through
22 the following program types:

23 (a) Alternative sentencing programs in partnership with a
24 local district or circuit court.

25 (b) Educational recovery for special adult populations with
26 high rates of illiteracy.

27 (c) Career development and continuing education for women.

1 (2) The program selected shall report by March 30 to the
2 department, the senate and house appropriations subcommittees on
3 corrections, the senate and house fiscal agencies, the legislative
4 corrections ombudsman, and the state budget director. The report
5 shall include program performance measurements, the number of
6 individuals diverted from incarceration, the number of individuals
7 served, and outcomes of participants who complete the program.

8 **BUDGET AND OPERATIONS ADMINISTRATION**

9 Sec. 501. From the funds appropriated in part 1 for
10 prosecutorial and detainer expenses, the department shall reimburse
11 counties for housing and custody of parole violators and offenders
12 being returned by the department from community placement who are
13 available for return to institutional status and for prisoners who
14 volunteer for placement in a county jail.

15 Sec. 502. Funds included in part 1 for the sheriffs'
16 coordinating and training office are appropriated for and may be
17 expended to defray costs of continuing education, certification,
18 recertification, decertification, and training of local corrections
19 officers, the personnel and administrative costs of the sheriffs'
20 coordinating and training office, the local corrections officers
21 advisory board, and the sheriffs' coordinating and training council
22 under the local corrections officers training act, 2003 PA 125, MCL
23 791.531 to 791.546.

24 Sec. 503. The department shall issue a biannual report for all
25 vendor contracts to the senate and house appropriations
26 subcommittees on corrections, the senate and house fiscal agencies,

1 and the legislative corrections ombudsman. The report shall cover
2 the previous 4 quarters and include all of the following:

3 (a) The original start date and the current expiration date of
4 each contract.

5 (b) The number, if any, of site visits completed by the
6 department for each vendor.

7 (c) The number and amount of fines, if any, for service-level
8 agreement noncompliance for each vendor broken down by area of
9 noncompliance.

10 Sec. 505. The department shall provide for the training of all
11 custody staff in effective and safe ways of handling prisoners with
12 mental illness and referring prisoners to mental health treatment
13 programs. Mental health awareness training shall be incorporated
14 into the training of new custody staff.

15 Sec. 508. The department shall issue a report for all
16 correctional facilities to the senate and house appropriations
17 subcommittees on corrections, the senate and house fiscal agencies,
18 and the legislative corrections ombudsman by January 1 setting
19 forth the following information for each facility: its name, street
20 address, and date of construction; its current maintenance costs;
21 any maintenance planned; its current utility costs; its expected
22 future capital improvement costs; the current unspent balance of
23 any authorized capital outlay projects, including the original
24 authorized amount; and its expected future useful life.

25 Sec. 511. (1) By February 1, the department shall provide a
26 report to the senate and house appropriations subcommittees on
27 corrections, the senate and house fiscal agencies, the legislative

1 corrections ombudsman, and the state budget director which details
2 the strategic plan of the department. The report shall contain
3 strategies to decrease the overall recidivism rate, measurable
4 plans to increase the rehabilitative function of correctional
5 facilities, metrics to track and ensure prisoner readiness to re-
6 enter society, and constructive actions for providing prisoners
7 with life skills development.

8 (2) The intent of this report is to express that the mission
9 of the department is to provide an action plan before reentry to
10 society that ensures prisoners' readiness for meeting parole
11 requirements and ensures a reduction in the total number of
12 released inmates who reenter the criminal justice system.

13 **FIELD OPERATIONS ADMINISTRATION**

14 Sec. 601. (1) From the funds appropriated in part 1, the
15 department shall conduct a statewide caseload audit of field
16 agents. The audit shall address public protection issues and assess
17 the ability of the field agents to complete their professional
18 duties. The complete audit shall be submitted to the senate and
19 house appropriations subcommittees on corrections, the legislative
20 corrections ombudsman, the senate and house fiscal agencies, and
21 the state budget office by March 1.

22 (2) It is the intent of the legislature that the department
23 maintain a number of field agents sufficient to meet supervision
24 and workload standards.

25 Sec. 602. The funds appropriated in part 1 for the supervising
26 region incentive program shall be used only to fund an incentive

1 program for field operations administration regions in accordance
2 with the supervising region incentive act.

3 Sec. 603. (1) All prisoners, probationers, and parolees
4 involved with the curfew monitoring program shall reimburse the
5 department for costs associated with their participation in the
6 program. The department may require community service work
7 reimbursement as a means of payment for those able-bodied
8 individuals unable to pay for the costs of the equipment.

9 (2) Program participant contributions and local program
10 reimbursement for the curfew monitoring program appropriated in
11 part 1 are related to program expenditures and may be used to
12 offset expenditures for this purpose.

13 (3) Included in the appropriation in part 1 is adequate
14 funding to implement the curfew monitoring program to be
15 administered by the department. The curfew monitoring program is
16 intended to provide sentencing judges and county sheriffs in
17 coordination with local community corrections advisory boards
18 access to the state's curfew monitoring program to reduce prison
19 admissions and improve local jail utilization. The department shall
20 determine the appropriate distribution of the curfew monitor units
21 throughout the state based upon locally developed comprehensive
22 corrections plans under the community corrections act, 1988 PA 511,
23 MCL 791.401 to 791.414.

24 (4) For a fee determined by the department, the department
25 shall provide counties with the curfew monitor equipment,
26 replacement parts, administrative oversight of the equipment's
27 operation, notification of violators, and periodic reports

1 regarding county program participants. Counties are responsible for
2 curfew monitor equipment installation and service. For an
3 additional fee as determined by the department, the department
4 shall provide staff to install and service the equipment. Counties
5 are responsible for the coordination and apprehension of program
6 violators.

7 (5) Any county with curfew monitor charges outstanding over 60
8 days shall be considered in violation of the community curfew
9 monitor program agreement and lose access to the program.

10 Sec. 604. The funds appropriated in part 1 for criminal
11 justice reinvestment shall be used only to fund evidence-based
12 programs designed to reduce recidivism among probationers and
13 parolees.

14 Sec. 611. The department shall prepare by March 1 individual
15 reports for the community reentry program, the electronic
16 monitoring program, and the special alternative to incarceration
17 program. The reports shall be submitted to the senate and house
18 appropriations subcommittees on corrections, the legislative
19 corrections ombudsman, the senate and house fiscal agencies, and
20 the state budget director. Each program's report shall include
21 information on all of the following:

22 (a) Monthly new participants by type of offender. Community
23 reentry program participants shall be categorized by reason for
24 placement. For technical rule violators, the report shall sort
25 offenders by length of time since release from prison, by the most
26 recent violation, and by the number of violations occurring since
27 release from prison.

1 (b) Monthly participant unsuccessful terminations, including
2 cause.

3 (c) Number of successful terminations.

4 (d) End month population by facility/program.

5 (e) Average length of placement.

6 (f) Return to prison statistics.

7 (g) Description of each program location or locations,
8 capacity, and staffing.

9 (h) Sentencing guideline scores and actual sentence statistics
10 for participants, if applicable.

11 (i) Comparison with prior year statistics.

12 (j) Analysis of the impact on prison admissions and jail
13 utilization and the cost effectiveness of the program.

14 Sec. 612. (1) The department shall review and revise as
15 necessary policy proposals that provide alternatives to prison for
16 offenders being sentenced to prison as a result of technical
17 probation violations and technical parole violations. To the extent
18 the department has insufficient policies or resources to affect the
19 continued increase in prison commitments among these offender
20 populations, the department shall explore other policy options to
21 allow for program alternatives, including department or OCC-funded
22 programs, local level programs, and programs available through
23 private agencies that may be used as prison alternatives for these
24 offenders.

25 (2) By April 1, the department shall provide a report to the
26 senate and house appropriations subcommittees on corrections, the
27 legislative corrections ombudsman, the senate and house fiscal

1 agencies, and the state budget director on the number of all
2 parolees returned to prison and probationers sentenced to prison
3 for either a technical violation or new sentence during the
4 preceding fiscal year. The report shall include the following
5 information for probationers, for parolees after their first
6 parole, and for parolees who have been paroled more than once:

7 (a) The numbers of parole and probation violators returned to
8 or sent to prison for a new crime with a comparison of original
9 versus new offenses by major offense type: assaultive,
10 nonassaultive, drug, and sex.

11 (b) The numbers of parole and probation violators returned to
12 or sent to prison for a technical violation and the type of
13 violation, including, but not limited to, zero gun tolerance and
14 substance abuse violations. For parole technical rule violators,
15 the report shall list violations by type, by length of time since
16 release from prison, by the most recent violation, and by the
17 number of violations occurring since release from prison.

18 (c) The educational history of those offenders, including how
19 many had a high school equivalency or high school diploma prior to
20 incarceration in prison, how many received a high school
21 equivalency while in prison, and how many received a vocational
22 certificate while in prison.

23 (d) The number of offenders who participated in the reentry
24 program versus the number of those who did not.

25 (e) The unduplicated number of offenders who participated in
26 substance abuse treatment programs, mental health treatment
27 programs, or both, while in prison, itemized by diagnosis.

1 Sec. 615. (1) The department shall submit a report detailing
2 the number of prisoners who have received life imprisonment
3 sentences with the possibility of parole and who are currently
4 eligible for parole to the senate and house appropriations
5 subcommittees on corrections, the senate and house fiscal agencies,
6 the legislative corrections ombudsman, and the state budget
7 director by April 30.

8 (2) The report shall include the following information on
9 parolable lifers who have served more than 25 years: prisoner name,
10 MDOC identification number, prefix, offense for which life term is
11 being served, county of conviction, age at time offense was
12 committed, current age, race, gender, true security classification,
13 dates of parole board file reviews, dates of parole board
14 interviews, parole guideline scores, and reason for decision not to
15 release.

16 Sec. 616. The parole board shall review its policies related
17 to the review and parole of those offenders serving a parolable
18 life sentence with consideration given to those that do not pose an
19 ongoing risk to society.

20 HEALTH CARE

21 Sec. 802. As a condition of expenditure of the funds
22 appropriated in part 1, the department shall provide the senate and
23 house of representatives appropriations subcommittees on
24 corrections, the legislative corrections ombudsman, the senate and
25 house fiscal agencies, and the state budget director with quarterly
26 reports on physical and mental health care detailing quarterly and

1 fiscal year-to-date expenditures itemized by vendor, allocations,
2 status of payments from contractors to vendors, and projected year-
3 end expenditures from accounts for prisoner health care, mental
4 health care, pharmaceutical services, and durable medical
5 equipment.

6 Sec. 803. (1) The department shall assure that all prisoners,
7 upon any health care treatment, are given the opportunity to sign a
8 release of information form designating a family member or other
9 individual to whom the department shall release records information
10 regarding a prisoner. A release of information form signed by a
11 prisoner shall remain in effect for 1 year, and the prisoner may
12 elect to withdraw or amend the release form at any time.

13 (2) The department shall assure that any such signed release
14 forms follow a prisoners upon transfer to another department
15 facility or to the supervision of a parole officer.

16 (3) The form shall be placed online, on a public website
17 managed by the department.

18 Sec. 804. The department shall report quarterly to the senate
19 and house appropriations subcommittees on corrections, the
20 legislative corrections ombudsman, the senate and house fiscal
21 agencies, and the state budget director on prisoner health care
22 utilization. The report shall include the number of inpatient
23 hospital days, outpatient visits, emergency room visits, and
24 prisoners receiving off-site inpatient medical care in the previous
25 quarter, by facility.

26 Sec. 806. From the funds appropriated in part 1 for mental
27 health services and support, the department shall expand its mental

1 health treatment and sex offender treatment programs. The purpose
2 of this enhancement is to address increased caseloads, reduce the
3 number of prisoners on the waiting list who are past their earliest
4 release date, and reduce the percentage of prisoners readmitted to
5 mental health programs at their previous level of care.

6 Sec. 807. The funds appropriated in part 1 for Hepatitis C
7 treatment shall be used only to purchase specialty medication for
8 Hepatitis C treatment in the prison population. In addition to the
9 above appropriation, any rebates received from the medications used
10 shall be used only to purchase specialty medication for Hepatitis C
11 treatment. On a quarterly basis, the department shall issue a
12 report to the senate and house appropriations subcommittees on
13 corrections, the senate and house fiscal agencies, and the
14 legislative corrections ombudsman, showing for the previous 4
15 quarters the total amount spent on specialty medication for the
16 treatment of Hepatitis C, the number of prisoners that were
17 treated, the amount of any rebates that were received from the
18 purchase of specialty medication, and what outstanding rebates are
19 expected to be received.

20 Sec. 812. (1) The department shall provide the department of
21 health and human services with a monthly list of prisoners newly
22 committed to the department of corrections. The department and the
23 department of health and human services shall enter into an
24 interagency agreement under which the department of health and
25 human services provides the department of corrections with monthly
26 lists of newly committed prisoners who are eligible for Medicaid
27 benefits in order to maintain the process by which Medicaid

1 benefits are suspended rather than terminated. The department shall
2 assist prisoners who may be eligible for Medicaid benefits after
3 release from prison with the Medicaid enrollment process prior to
4 release from prison.

5 (2) The department shall provide the senate and house
6 appropriations subcommittees on corrections, the legislative
7 corrections ombudsman, the senate and house fiscal agencies, and
8 the state budget director with quarterly updates on the utilization
9 of Medicaid benefits for prisoners.

10 Sec. 816. By April 1, the department shall provide the members
11 of the senate and house appropriations subcommittees on
12 corrections, the senate and house fiscal agencies, the state budget
13 director, and the legislative corrections ombudsman with a report
14 on pharmaceutical expenditures and prescribing practices. In
15 particular, the report shall provide the following information:

16 (a) A detailed accounting of expenditures on antipsychotic
17 medications.

18 (b) Any changes that have been made to the prescription drug
19 formularies.

20 CORRECTIONAL FACILITIES ADMINISTRATION

21 Sec. 901. The department, working with the department of
22 technology, management, and budget, shall determine the costs of
23 entering into an agreement to lease or purchase a private
24 correctional facility to be operated by the department, as well as
25 the costs of reopening a closed correctional facility already owned
26 by the department to determine if it would be in the best interest

1 of the citizens of this state to house prisoners in a private
2 correctional facility leased or purchased and operated by the
3 department, or a closed correctional facility owned by the
4 department that the department reopens, rather than in a
5 correctional facility currently operated by the department. By
6 October 15, the department shall issue a report to the senate and
7 house appropriations subcommittees on corrections, the senate and
8 house fiscal agencies, and the state budget director that documents
9 the acquisition, lease, reopening, and modernization costs, and
10 taxes, utilities, expected future capital repair, and upgrades of
11 the correctional facilities described in this section.

12 Sec. 902. From the funds appropriated in part 1 for the
13 education program, the department shall use \$2,000,000.00 to expand
14 the vocational village program.

15 Sec. 904. The department shall calculate the per prisoner/per
16 day cost for each prisoner security custody level. This calculation
17 shall include all actual direct and indirect costs for the previous
18 fiscal year, including, but not limited to, the value of services
19 provided to the department by other state agencies and the
20 allocation of statewide legacy costs. To calculate the per
21 prisoner/per day costs, the department shall divide these direct
22 and indirect costs by the average daily population for each custody
23 level. For multilevel facilities, the indirect costs that cannot be
24 accurately allocated to each custody level can be included in the
25 calculation on a per-prisoner basis for each facility. A report
26 summarizing these calculations and the direct and indirect costs
27 included in them shall be submitted to the senate and house

1 appropriations subcommittees on corrections, the legislative
2 corrections ombudsman, the senate and house fiscal agencies, and
3 the state budget director not later than December 15.

4 Sec. 906. Any local unit of government or private nonprofit
5 organization that contracts with the department for public works
6 services shall be responsible for financing the entire cost of such
7 an agreement.

8 Sec. 907. The department shall report by March 1 to the senate
9 and house appropriations subcommittees on corrections, the
10 legislative corrections ombudsman, the senate and house fiscal
11 agencies, and the state budget director on academic and vocational
12 programs. The report shall provide information relevant to an
13 assessment of the department's academic and vocational programs,
14 including, but not limited to, all of the following:

15 (a) The number of instructors and the number of instructor
16 vacancies, by program and facility.

17 (b) The number of prisoners enrolled in each program, the
18 number of prisoners completing each program, the number of
19 prisoners who do not complete each program and are not subsequently
20 reenrolled, and the reason for not completing the program, the
21 number of prisoners transferred to another facility while enrolled
22 in a program and the reason for transfer, the number of prisoners
23 enrolled who are repeating the program, and the number of prisoners
24 on waiting lists for each program, all itemized by facility.

25 (c) The steps the department has undertaken to improve
26 programs, track records, accommodate transfers and prisoners with
27 health care needs, and reduce waiting lists.

1 (d) The number of prisoners paroled without a high school
2 diploma and the number of prisoners paroled without a high school
3 equivalency.

4 (e) An explanation of the value and purpose of each program,
5 for example, to improve employability, reduce recidivism, reduce
6 prisoner idleness, or some combination of these and other factors.

7 (f) An identification of program outcomes for each academic
8 and vocational program.

9 (g) The number of prisoners not paroled at their earliest
10 release date due to lack of a high school equivalency, and the
11 reason those prisoners have not obtained a high school equivalency.

12 Sec. 908. From the funds appropriated in part 1, the
13 department shall explore the feasibility of establishing an online
14 career high school education pilot program, or other alternatives
15 to providing prisoners with a high school diploma in lieu of a high
16 school equivalency. The department shall explore establishing
17 outside partnerships to assist the department with providing high
18 school diplomas. The department shall submit a report by December 1
19 to the senate and house appropriations subcommittees on
20 corrections, the senate and house fiscal agencies, the legislative
21 corrections ombudsman, and the state budget director that describes
22 the necessary steps the department would have to take, the
23 resources the department would need, and departmental
24 organizational changes that would be required, and the feasibility
25 of the department's forming outside partnerships to assist with
26 providing prisoners with a high school diploma in lieu of a high
27 school equivalency.

1 Sec. 909. From the funds appropriated in part 1, the
2 department shall focus on providing career-based educational
3 programming for prisoners, to include vocational trade programs and
4 employment readiness programs.

5 Sec. 910. The department shall allow the Michigan Braille
6 transcribing fund program to operate at its current location. The
7 donation of the building by the Michigan Braille transcribing fund
8 at the G. Robert Cotton Correctional Facility in Jackson is
9 acknowledged and appreciated. The department shall continue to
10 encourage the Michigan Braille transcribing fund program to produce
11 high-quality materials for use by the visually impaired.

12 Sec. 911. By March 1, the department shall report to the
13 senate and house appropriations subcommittees on corrections, the
14 senate and house fiscal agencies, the legislative corrections
15 ombudsman, and the state budget director the number of critical
16 incidents occurring each month by type and the number and severity
17 of assaults, escape attempts, suicides, and attempted suicides
18 occurring each month at each facility during the immediately
19 preceding calendar year.

20 Sec. 912. The department shall report to the senate and house
21 appropriations subcommittees on corrections, the legislative
22 corrections ombudsman, the senate and house fiscal agencies, and
23 the state budget director by March 1 on the ratio of correctional
24 officers to prisoners for each correctional institution, the ratio
25 of shift command staff to line custody staff, and the ratio of
26 noncustody institutional staff to prisoners for each correctional
27 institution.

1 Sec. 913. (1) From the funds appropriated in part 1, the
2 department shall focus on providing required programming to
3 prisoners who are past their earliest release date because of not
4 having received the required programming. Programming includes, but
5 is not limited to, violence prevention programming, assaultive
6 offender programming, sexual offender programming, substance abuse
7 treatment programming, thinking for a change programming, and any
8 other programming that is required as a condition of parole.

9 (2) It is the intent of the legislature that any prisoner
10 required to complete a violence prevention program, sexual offender
11 program, or other program as a condition of parole shall be placed
12 on a waiting list for the appropriate programming upon entrance to
13 prison and transferred to a facility where that program is
14 available in order to accomplish timely completion of that program
15 prior to the expiration of his or her minimum sentence and
16 eligibility for parole. Nothing in this section should be deemed to
17 make parole denial appealable in court.

18 (3) The department shall submit a quarterly report to the
19 members of the senate and house appropriations subcommittees on
20 corrections, the senate and house fiscal agencies, the state budget
21 director, and the legislative corrections ombudsman detailing
22 enrollment in sex offender programming, assaultive offender
23 programming, violent offender programming, and thinking for change.
24 At a minimum, the report shall include the following:

25 (a) A full accounting, from the date of entrance to prison, of
26 the number of individuals who are required to complete the
27 programming, but have not yet done so.

1 (b) The number of individuals who have reached their earliest
2 release date, but who have not completed required programming.

3 (c) A plan of action for addressing any waiting lists or
4 backlogs for programming that may exist.

5 Sec. 924. The department shall evaluate all prisoners at
6 intake for substance abuse disorders, serious developmental
7 disorders, serious mental illness, and other mental health
8 disorders. Prisoners with serious mental illness or serious
9 developmental disorders shall not be removed from the general
10 population as a punitive response to behavior caused by their
11 serious mental illness or serious developmental disorder. Due to
12 persistent high violence risk or severe disruptive behavior that is
13 unresponsive to treatment, prisoners with serious mental illness or
14 serious developmental disorders may be placed in secure residential
15 housing programs that will facilitate access to institutional
16 programming and ongoing mental health services. A prisoner with
17 serious mental illness or serious developmental disorder who is
18 confined in these specialized housing programs shall be evaluated
19 or monitored by a medical professional at a frequency of not less
20 than every 12 hours.

21 Sec. 925. By March 1, the department shall report to the
22 senate and house appropriations subcommittees on corrections, the
23 senate and house fiscal agencies, the legislative corrections
24 ombudsman, and the state budget director on the annual number of
25 prisoners in administrative segregation between October 1, 2015 and
26 September 30, 2016, and the annual number of prisoners in
27 administrative segregation between October 1, 2015 and September

1 30, 2016 who at any time during the current or prior prison term
2 were diagnosed with serious mental illness or have a developmental
3 disorder and the number of days each of the prisoners with serious
4 mental illness or a developmental disorder have been confined to
5 administrative segregation.

6 Sec. 929. From the funds appropriated in part 1, the
7 department shall do all of the following:

8 (a) Ensure that any inmate care and control staff in contact
9 with prisoners less than 18 years of age are adequately trained
10 with regard to the developmental and mental health needs of
11 prisoners less than 18 years of age. By April 1, the department
12 shall report to the senate and house appropriations subcommittees
13 on corrections, the senate and house fiscal agencies, and the state
14 budget director on the training curriculum used and the number and
15 types of staff receiving annual training under that curriculum.

16 (b) Provide appropriate placement for prisoners less than 18
17 years of age who have serious mental illness, serious emotional
18 disturbance, or a serious developmental disorder and need to be
19 housed separately from the general population. Prisoners less than
20 18 years of age who have serious mental illness, serious emotional
21 disturbance, or a serious developmental disorder shall not be
22 removed from an existing placement as a punitive response to
23 behavior caused by their serious mental illness, serious emotional
24 disturbance, or a serious developmental disorder. Due to persistent
25 high violence risk or severe disruptive behavior that is
26 unresponsive to treatment, prisoners less than 18 years of age with
27 serious emotional disturbance, serious mental illness, or serious

1 developmental disorders may be placed in secure residential housing
2 programs that will facilitate access to institutional programming
3 and ongoing mental health services. A prisoner less than 18 years
4 of age with serious mental illness, serious emotional disturbance,
5 or a serious developmental disorder who is confined in these
6 specialized housing programs shall be evaluated or monitored by a
7 medical professional at a frequency of not less than every 12
8 hours.

9 (c) Implement a specialized reentry program that recognizes
10 the needs of prisoners less than 18 years old for supervised
11 reentry.

12 Sec. 937. The department shall not issue a request for
13 proposal (RFP) for a contract in excess of \$5,000,000.00, unless
14 the department has first considered issuing a request for
15 information (RFI) or a request for qualification (RFQ) relative to
16 that contract to better enable the department to learn more about
17 the market for the products or services that are the subject of the
18 future RFP. The department shall notify the department of
19 technology, management, and budget of the evaluation process used
20 to determine if an RFI or RFQ was not necessary prior to issuing
21 the RFP.

22 Sec. 940. (1) Any lease, rental, contract, or other legal
23 agreement that includes a provision allowing a private person or
24 entity to use state-owned facilities or other property to conduct a
25 for-profit business enterprise shall require the lessee to pay fair
26 market value for the use of the state-owned property.

27 (2) The lease, rental, contract, or other legal agreement

1 shall also require the party using the property to make a payment
2 in lieu of taxes to the local jurisdictions that would otherwise
3 receive property tax revenue, as if the property were not owned by
4 the state.

5 Sec. 942. The department shall ensure that any contract with a
6 public or private party to operate a facility to house state
7 prisoners includes a provision to allow access by both the office
8 of the legislative auditor general and the office of the
9 legislative corrections ombudsman to the facility and to
10 appropriate records and documents related to the operation of the
11 facility. These access rights for both offices shall be the same
12 for the contracted facility as for a general state-operated
13 correctional facility.

14 INFORMATION TECHNOLOGY

15 Sec. 1000. From the funds appropriated in part 1 for
16 information technology services and projects, the department shall
17 expand bandwidth in 27 correctional facilities and 113 field
18 operations offices. The purpose of this bandwidth expansion is to
19 support critical information technology systems that provide
20 platforms for several mandated programs and department cost savings
21 efforts.

22 MISCELLANEOUS

23 Sec. 1009. The department shall make an information packet for
24 the families of incoming prisoners available on the department's
25 website. The information packet shall be updated by February 1 of

1 each year. The packet shall provide information on topics
2 including, but not limited to: how to put money into prisoner
3 accounts, how to make phone calls or create Jpay email accounts,
4 how to visit in person, proper procedures for filing complaints or
5 grievances, the rights of prisoners to physical and mental health
6 care, how to utilize the offender tracking information system
7 (OTIS), truth-in-sentencing and how it applies to minimum
8 sentences, the parole process, and guidance on the importance of
9 the role of families in the reentry process. The department is
10 encouraged to partner with external advocacy groups and actual
11 families of prisoners in the packet-writing process to ensure that
12 the information is useful and complete.

13 Sec. 1011. The department may accept in-kind services and
14 equipment donations to facilitate the addition of a cable network
15 that provides programming that will address the religious needs of
16 incarcerated individuals. This network may be a cable television
17 network that presently reaches the majority of households in the
18 United States. A bilingual channel affiliated with this network may
19 also be added to department programming to assist the religious
20 needs of Spanish-speaking inmates. The addition of these channels
21 shall be at no additional cost to this state.

22 **ONE-TIME APPROPRIATIONS**

23 Sec. 1100. From the funds appropriated in part 1 for new
24 custody staff training, the department shall increase the training
25 capacity for new custody staff by 350 officers. The purpose of this
26 academy is to address higher than normal attrition of correction

1 officers and to decrease overtime costs.

2 PART 2A
3 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
4 FOR FISCAL YEAR 2017-2018

5 **GENERAL SECTIONS**

6 Sec. 1201. It is the intent of the legislature to provide
7 appropriations for the fiscal year ending on September 30, 2018 for
8 the line items listed in part 1. The fiscal year 2017-2018
9 appropriations are anticipated to be the same as those for fiscal
10 year 2016-2017, except that the line items will be adjusted for
11 changes in caseload and related costs, federal fund match rates,
12 economic factors, and available revenue. These adjustments will be
13 determined after the January 2017 consensus revenue estimating
14 conference.

15 ARTICLE VI
16 DEPARTMENT OF EDUCATION
17 PART 1
18 LINE-ITEM APPROPRIATIONS

19 Sec. 101. There is appropriated for the department of
20 education for the fiscal year ending September 30, 2017, from the
21 following funds:

22 **DEPARTMENT OF EDUCATION**
23 **APPROPRIATION SUMMARY**

1	Full-time equated unclassified positions.....	6.0	
2	Full-time equated classified positions.....	597.5	
3	GROSS APPROPRIATION.....		\$ 331,975,200
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers		0
7	ADJUSTED GROSS APPROPRIATION.....		\$ 331,975,200
8	Federal revenues:		
9	Total federal revenues.....		239,821,900
10	Special revenue funds:		
11	Total local revenues.....		5,557,200
12	Total private revenues.....		2,034,200
13	Total other state restricted revenues.....		8,380,700
14	State general fund/general purpose.....		\$ 76,181,200
15	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE		
16	SUPERINTENDENT		
17	Full-time equated unclassified positions.....	6.0	
18	Full-time equated classified positions.....	11.0	
19	State board of education, per diem payments.....		\$ 24,400
20	Unclassified positions--6.0 FTE positions.....		827,200
21	State board/superintendent operations--10.0 FTE		
22	positions		1,888,700
23	Education commission of the states.....		120,800
24	Chief information officer--1.0 FTE position.....		<u>200,000</u>
25	GROSS APPROPRIATION.....		\$ 3,061,100
26	Appropriated from:		
27	Federal revenues:		

1	Federal revenues.....		227,000
2	Special revenue funds:		
3	Private foundations.....		28,100
4	Certification fees.....		771,400
5	State general fund/general purpose.....	\$	2,034,600
6	Sec. 103. CENTRAL SUPPORT		
7	Full-time equated classified positions..... 23.6		
8	Central support operations--23.6 FTE positions.....	\$	3,686,700
9	Worker's compensation.....		24,300
10	Building occupancy charges - property management		
11	services		3,196,200
12	Training and orientation workshops.....		150,000
13	Terminal leave payments.....		353,300
14	Federal and private grants.....		<u>3,000,000</u>
15	GROSS APPROPRIATION.....	\$	10,410,500
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues.....		3,690,100
19	Federal indirect funds.....		2,430,700
20	Special revenue funds:		
21	Certification fees.....		399,300
22	Teacher testing fees.....		4,000
23	Training and orientation workshop fees.....		150,000
24	Private foundations.....		1,000,000
25	State general fund/general purpose.....	\$	2,736,400
26	Sec. 104. INFORMATION TECHNOLOGY SERVICES		
27	Information technology operations.....	\$	<u>4,192,600</u>

1	GROSS APPROPRIATION.....	\$	4,192,600
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		616,900
5	Federal indirect funds.....		1,824,300
6	Special revenue funds:		
7	Certification fees.....		397,500
8	State general fund/general purpose.....	\$	1,353,900
9	Sec. 105. SPECIAL EDUCATION SERVICES		
10	Full-time equated classified positions.....	47.0	
11	Special education operations--47.0 FTE positions.....	\$	<u>9,120,500</u>
12	GROSS APPROPRIATION.....	\$	9,120,500
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		8,544,000
16	Special revenue funds:		
17	Private foundations.....		110,100
18	Certification fees.....		44,700
19	State general fund/general purpose.....	\$	421,700
20	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
21	Full-time equated classified positions.....	77.0	
22	Michigan schools for the deaf and blind operations--		
23	76.0 FTE positions	\$	12,812,700
24	Camp Tuhsmeheeta--1.0 FTE position.....		296,000
25	Low incidence outreach program.....		300,000
26	Private gifts - blind.....		200,000
27	Private gifts - deaf.....		<u>150,000</u>

1	GROSS APPROPRIATION.....	\$	13,758,700
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		7,048,600
5	Special revenue funds:		
6	Local cost sharing (schools for deaf/blind)		5,233,000
7	Local school district service fees.....		312,500
8	Gifts, bequests, and donations.....		646,000
9	Low incidence outreach fund.....		300,000
10	Student insurance revenue.....		218,600
11	State general fund/general purpose.....	\$	0
12	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
13	Full-time equated classified positions.....		33.0
14	Professional preparation operations--33.0 FTE		
15	positions	\$	<u>5,653,900</u>
16	GROSS APPROPRIATION.....	\$	5,653,900
17	Appropriated from:		
18	Federal revenues:		
19	Federal revenues.....		1,464,100
20	Special revenue funds:		
21	Certification fees.....		3,602,000
22	Teacher testing fees.....		364,100
23	State general fund/general purpose.....	\$	223,700
24	Sec. 108. MICHIGAN OFFICE OF GREAT START		
25	Full-time equated classified positions.....		66.0
26	Office of great start operations--65.0 FTE positions .	\$	23,177,400
27	Child development and care external support		27,374,500

1	Head start collaboration office--1.0 FTE position	309,900
2	Child development and care public assistance	<u>133,966,100</u>
3	GROSS APPROPRIATION.....	\$ 184,827,900
4	Appropriated from:	
5	Federal revenues:	
6	Federal revenues.....	151,622,600
7	Special revenue funds:	
8	Private foundations.....	250,000
9	Certification fees.....	64,600
10	State general fund/general purpose.....	\$ 32,890,700
11	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES	
12	Full-time equated classified positions..... 11.5	
13	State aid and school finance operations--11.5 FTE	
14	positions	\$ <u>1,638,600</u>
15	GROSS APPROPRIATION.....	\$ 1,638,600
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 1,638,600
18	Sec. 110. AUDIT SERVICES	
19	Full-time equated classified positions..... 4.5	
20	Audit operations--4.5 FTE positions.....	\$ <u>612,500</u>
21	GROSS APPROPRIATION.....	\$ 612,500
22	Appropriated from:	
23	Federal revenues:	
24	Federal indirect funds.....	486,800
25	Special revenue funds:	
26	Certification fees.....	62,300
27	State general fund/general purpose.....	\$ 63,400

1	Sec. 111. ADMINISTRATIVE LAW SERVICES		
2	Full-time equated classified positions.....	2.0	
3	Administrative law operations--2.0 FTE positions	\$	<u>1,364,300</u>
4	GROSS APPROPRIATION.....	\$	1,364,300
5	Appropriated from:		
6	Federal revenues:		
7	Federal revenues.....		564,200
8	Special revenue funds:		
9	Certification fees.....		701,500
10	State general fund/general purpose.....	\$	98,600
11	Sec. 112. ACCOUNTABILITY SERVICES		
12	Full-time equated classified positions.....	64.6	
13	Accountability services operations--64.6 FTE positions	\$	<u>14,619,400</u>
14	GROSS APPROPRIATION.....	\$	14,619,400
15	Appropriated from:		
16	Federal revenues:		
17	Federal revenues.....		13,476,200
18	State general fund/general purpose.....	\$	1,143,200
19	Sec. 113. SCHOOL SUPPORT SERVICES		
20	Full-time equated classified positions.....	83.6	
21	School support services operations--83.6 FTE positions	\$	<u>15,495,200</u>
22	GROSS APPROPRIATION.....	\$	15,495,200
23	Appropriated from:		
24	Federal revenues:		
25	Federal revenues.....		14,455,700
26	Special revenue funds:		
27	Local school district service fees.....		11,700

1	Certification fees.....	86,900
2	Commodity distribution fees.....	71,700
3	State general fund/general purpose.....	\$ 869,200
4	Sec. 114. FIELD SERVICES	
5	Full-time equated classified positions.....	45.0
6	Field services operations--45.0 FTE positions.....	\$ <u>9,349,200</u>
7	GROSS APPROPRIATION.....	\$ 9,349,200
8	Appropriated from:	
9	Federal revenues:	
10	Federal revenues.....	8,599,200
11	Special revenue funds:	
12	Certification fees.....	37,300
13	State general fund/general purpose.....	\$ 712,700
14	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
15	SERVICES	
16	Full-time equated classified positions.....	49.7
17	Educational improvement and innovation operations--	
18	49.7 FTE positions	\$ <u>9,689,900</u>
19	GROSS APPROPRIATION.....	\$ 9,689,900
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues.....	6,596,600
23	Special revenue funds:	
24	Certification fees.....	565,100
25	State general fund/general purpose.....	\$ 2,528,200
26	Sec. 116. CAREER AND TECHNICAL EDUCATION	
27	Full-time equated classified positions.....	29.0

1	Career and technical education operations--29.0 FTE		
2	positions	\$	<u>5,220,800</u>
3	GROSS APPROPRIATION.....	\$	5,220,800
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues.....		3,887,400
7	State general fund/general purpose.....	\$	1,333,400
8	Sec. 117. LIBRARY OF MICHIGAN		
9	Full-time equated classified positions..... 33.0		
10	Library of Michigan operations--31.0 FTE positions ...	\$	4,797,400
11	Library services and technology program--1.0 FTE		
12	position		5,610,100
13	State aid to libraries.....		9,876,000
14	Michigan eLibrary--1.0 FTE position.....		1,752,300
15	Renaissance zone reimbursements.....		<u>5,300,000</u>
16	GROSS APPROPRIATION.....	\$	27,335,800
17	Appropriated from:		
18	Federal revenues:		
19	Federal revenues.....		5,610,100
20	Special revenue funds:		
21	Library fees.....		300,000
22	State general fund/general purpose.....	\$	21,425,700
23	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION		
24	Full-time equated classified positions..... 17.0		
25	Educator talent and policy coordination operations--		
26	17.0 FTE positions	\$	<u>2,574,200</u>
27	GROSS APPROPRIATION.....	\$	2,574,200

1	Appropriated from:		
2	Federal revenues:		
3	Federal revenues.....		627,400
4	Special revenue funds:		
5	Certification fees.....		239,600
6	State general fund/general purpose.....	\$	1,707,200
7	Sec. 119. ONE-TIME APPROPRIATIONS		
8	Certification fees subsidy.....	\$	500,000
9	Statewide school drinking water quality program.....		4,500,000
10	Drinking water declaration of emergency.....		<u>8,050,100</u>
11	GROSS APPROPRIATION.....	\$	13,050,100
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues.....		8,050,000
15	Special revenue funds:		
16	Flint emergency reserve fund.....		100
17	State general fund/general purpose.....	\$	5,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$84,561,900.00 and state spending from state resources to be paid to local units of

government for fiscal year 2016-2017 is \$19,176,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

Voluntary water testing.....	\$	4,000,000
State aid to libraries.....		9,876,000
Renaissance zone reimbursements.....		<u>5,300,000</u>
Total department of education.....	\$	19,176,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "ACT" means the American College Testing Corporation.

(b) "Department" means the Michigan department of education.

(c) "District" means a local school district as defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.

(d) "FTE" means full-time equated.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods or
2 services, or both, are available. Preference shall be given to
3 goods or services, or both, manufactured or provided by Michigan
4 businesses, if they are competitively priced and of comparable
5 quality. In addition, preference should be given to goods or
6 services, or both, that are manufactured or provided by Michigan
7 businesses owned and operated by veterans, if they are
8 competitively priced and of comparable quality.

9 Sec. 206. The state superintendent of public instruction shall
10 take all reasonable steps to ensure businesses in deprived and
11 depressed communities compete for and perform contracts to provide
12 services or supplies, or both. The state superintendent of public
13 instruction shall strongly encourage firms with which the
14 department contracts to subcontract with certified businesses in
15 depressed and deprived communities for services, supplies, or both.

16 Sec. 207. The departments and agencies receiving
17 appropriations in part 1 shall prepare a report on out-of-state
18 travel expenses not later than January 1 of each year. The travel
19 report shall be a listing of all travel by classified and
20 unclassified employees outside this state in the immediately
21 preceding fiscal year that was funded in whole or in part with
22 funds appropriated in the department's budget. The report shall be
23 submitted to the senate and house appropriations committees, the
24 house and senate fiscal agencies, and the state budget director.
25 The report must include the following information:

26 (a) The dates of each travel occurrence.

27 (b) The transportation and related costs of each travel

1 occurrence, including the proportion funded with state general
2 fund/general purpose revenues, the proportion funded with state
3 restricted revenues, the proportion funded with federal revenues,
4 and the proportion funded with other revenues.

5 Sec. 208. Funds appropriated in part 1 shall not be used by a
6 principal executive department, state agency, or authority to hire
7 a person to provide legal services that are the responsibility of
8 the attorney general. This prohibition does not apply to legal
9 services for bonding activities and for those outside services that
10 the attorney general authorizes.

11 Sec. 209. Not later than November 30, the state budget office
12 shall prepare and transmit a report that provides for estimates of
13 the total general fund/general purpose appropriation lapses at the
14 close of the prior fiscal year. This report shall summarize the
15 projected year-end general fund/general purpose appropriation
16 lapses by major departmental program or program areas. The report
17 shall be transmitted to the chairpersons of the senate and house
18 appropriations committees and the senate and house fiscal agencies.

19 Sec. 210. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$10,000,000.00 for
21 federal contingency funds. These funds are not available for
22 expenditure until they have been transferred to another line item
23 in part 1 under section 393(2) of the management and budget act,
24 1984 PA 431, MCL 18.1393.

25 (2) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$700,000.00 for state
27 restricted contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in part 1 under section 393(2) of the management and budget act,
3 1984 PA 431, MCL 18.1393.

4 (3) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$250,000.00 for local
6 contingency funds. These funds are not available for expenditure
7 until they have been transferred to another line item in part 1
8 under section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

10 (4) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$3,000,000.00 for private
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in part 1
14 under section 393(2) of the management and budget act, 1984 PA 431,
15 MCL 18.1393.

16 Sec. 211. The department shall cooperate with the department
17 of technology, management, and budget to maintain a searchable
18 website accessible by the public at no cost that includes, but is
19 not limited to, all of the following for each department or agency:

20 (a) Fiscal year-to-date expenditures by category.

21 (b) Fiscal year-to-date expenditures by appropriation unit.

22 (c) Fiscal year-to-date payments to a selected vendor,
23 including the vendor name, payment date, payment amount, and
24 payment description.

25 (d) The number of active department employees by job
26 classification.

27 (e) Job specifications and wage rates.

1 Sec. 212. Within 14 days after the release of the executive
2 budget recommendation, the department shall cooperate with the
3 state budget office to provide the senate and house appropriations
4 chairs, the senate and house appropriations subcommittees
5 responsible for the department budget, and the senate and house
6 fiscal agencies with an annual report on estimated state restricted
7 fund balances, state restricted fund projected revenues, and state
8 restricted fund expenditures for the fiscal years ending September
9 30, 2016 and September 30, 2017.

10 Sec. 213. The department shall maintain, on a publicly
11 accessible website, a department scorecard that identifies, tracks,
12 and regularly updates key metrics that are used to monitor and
13 improve the agency's performance.

14 Sec. 214. Total authorized appropriations from all sources
15 under part 1 for legacy costs for the fiscal year ending September
16 30, 2017 are estimated at \$16,971,500.00. From this amount, total
17 agency appropriations for pension-related legacy costs are
18 estimated at \$9,410,700.00. Total agency appropriations for retiree
19 health care legacy costs are estimated at \$7,560,800.00.

20 Sec. 215. The department shall provide through the Internet
21 the state board of education agenda and all supporting documents,
22 and shall notify the state budget director and the senate and house
23 fiscal agencies that the agenda and supporting documents are
24 available on the Internet, at the time the agenda and supporting
25 documents are provided to state board of education members.

26 Sec. 216. To the extent that the state continues to identify
27 schools as meeting proficiency targets, before publishing a list of

1 schools or districts determined to have failed to make adequate
2 yearly progress as required by the no child left behind act of
3 2001, Public Law 107-110, the department shall allow a school or
4 district to appeal that determination. Those appeals shall be
5 addressed before designations may be published.

6 Sec. 217. The department may assist the department of health
7 and human services, other departments, and local school districts
8 to secure reimbursement for eligible services provided in Michigan
9 schools from the federal Medicaid program. The department may
10 submit reports of direct expenses related to this effort to the
11 department of health and human services for reimbursement.

12 Sec. 219. From the funds appropriated in part 1, the
13 department shall ensure that kindergarten benchmark data include a
14 method for information to be provided regarding a child's
15 participation in the great start readiness program.

16 Sec. 220. The department shall post on its website a link to
17 the federal Institute of Education Sciences' What Works
18 Clearinghouse. The department also shall work to disseminate
19 knowledge about the What Works Clearinghouse to districts and
20 intermediate districts so that it may be used to improve reading
21 proficiency for pupils in grades K to 3.

22 Sec. 221. The department shall require all districts and
23 intermediate school districts to maintain complete records within
24 the personnel file of a teacher or school employee of any
25 disciplinary actions taken by the governing board against the
26 teacher or employee for sexual misconduct. The records shall not be
27 destroyed or removed from the teacher's or employee's personnel

1 file except as required by a court order.

2 Sec. 222. The department shall not take disciplinary action
3 against an employee who communicates truthfully and factually with
4 a member of the legislature or his or her staff.

5 Sec. 223. The department and agencies receiving appropriations
6 in part 1 shall receive and retain copies of all reports funded
7 from appropriations in part 1. Federal and state guidelines for
8 short-term and long-term retention of records shall be followed.
9 The department may electronically retain copies of reports unless
10 otherwise required by federal and state guidelines.

11 Sec. 226. From the funds appropriated in part 1, the
12 department shall coordinate with the other departments to
13 streamline state services and resources, reduce duplication, and
14 increase efficiency. This includes, but is not limited to, working
15 with the department of technology, management, and budget to
16 coordinate with the school reform office, working with the
17 department of treasury to coordinate with the financial
18 independence team and overseeing deficit districts, and working
19 with the department of health and human services and department of
20 licensing and regulatory affairs to coordinate with early childhood
21 programs and overseeing child care providers.

22 Sec. 227. (1) The department shall provide data requested by a
23 member of the legislature, his or her staff, or the house and
24 senate fiscal agencies in a timely manner. If the department fails
25 to provide reasonably requested data within 30 days after the
26 request, the state money appropriated in part 1 for state
27 board/superintendent operations shall be reduced by 1%.

1 (2) If the department fails to provide to the legislature
2 reports and other data required by boilerplate or statute within 30
3 days after the date the information is due, the state money
4 appropriated in part 1 for state board/superintendent operations
5 shall be reduced by 1%.

6 Sec. 228. No state department or agency shall issue a request
7 for proposal for a contract in excess of \$1,000,000.00, unless the
8 department or agency has first considered issuing a request for
9 information or a request for qualification relative to that
10 contract to better enable the department or agency to learn more
11 about the market for the products or services that are the subject
12 of the future request for proposal. The department or agency shall
13 notify the department of technology, management, and budget of the
14 evaluation process used to determine if a request for information
15 or request for qualification was not necessary before issuing the
16 request for proposal.

17 Sec. 229. The department shall not enter into a contract
18 funded under part 1 that exceeds \$1,000,000.00 or seek a federal
19 waiver or an amendment to the federal waiver, until after
20 notification of the content to both the house and senate
21 appropriations committees and the state budget director.

22 Sec. 230. From the funds appropriated in part 1, the
23 department shall compile a report that identifies any new, or lack
24 thereof, mandates required of nonpublic schools. In compiling the
25 report, the department may consult with relevant statewide
26 education associations in Michigan. The report compiled by the
27 department shall indicate the type of mandate, including, but not

1 limited to, student health, student or building safety,
2 accountability, and educational requirements, and shall indicate
3 whether a school has to report on the specified mandates. The
4 report required under this section shall be completed by April 1,
5 2017 and transmitted to the state budget director, the house and
6 senate appropriations subcommittees responsible for the department
7 of education, and the senate and house fiscal agencies not later
8 than April 15, 2017.

9 **STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

10 Sec. 301. (1) The appropriations in part 1 may be used for per
11 diem payments to the state board for meetings at which a quorum is
12 present or for performing official business authorized by the state
13 board. The per diem payments shall be at a rate as follows:

14 (a) State board of education - president - \$110.00 per day.

15 (b) State board of education - member other than president -
16 \$100.00 per day.

17 (2) A state board of education member shall not be paid a per
18 diem for more than 30 days per year.

19 Sec. 302. From the amount appropriated in part 1 to the state
20 board of education, not more than \$35,000.00 for the fiscal year
21 ending September 30, 2017 shall be expended for in-state travel and
22 out-of-state travel directly related to the duties of the state
23 board of education.

24 **CENTRAL SUPPORT**

25 Sec. 325. Within 10 days of the receipt of a grant

1 appropriated in the federal and private grants line item in part 1,
2 the department shall notify the house and senate chairpersons of
3 the appropriations subcommittees responsible for the department
4 budget, the house and senate fiscal agencies, and the state budget
5 director of the receipt of the grant, including the funding source,
6 purpose, and amount of the grant.

7 **SPECIAL EDUCATION SERVICES**

8 Sec. 350. From the funds in part 1 for special education
9 operations, the department shall perform the following activities:

10 (a) Design and distribute to all parents with a student with a
11 disability information about federal and state mandates regarding
12 the rights and protections of students with disabilities,
13 including, but not limited to, individualized education programs to
14 ensure that parents and legal guardians are fully informed about
15 laws, rules, procedural safeguards, problem-solving options, and
16 any other information the department determines is necessary so
17 that parents and legal guardians may be able to provide meaningful
18 input in collaboration with districts to develop and implement an
19 individualized education program.

20 (b) Train mediators who are knowledgeable about the dispute
21 resolution system and state and federal mandates pertaining to the
22 rights and protections of students with disabilities outlined in
23 the federal individuals with disabilities education act, 20 USC
24 1400 to 1482, and the Michigan administrative rules for special
25 education programs and services, R 340.1701 to R 340.1862 of the
26 Michigan Administrative Code. This annual training will include

1 coursework, resources, and materials.

2 **MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

3 Sec. 401. The employees at the Michigan schools for the deaf
4 and blind who work on a school-year basis are considered annual
5 employees for purposes of service credits, retirement, and
6 insurance benefits.

7 Sec. 402. For each student enrolled at the Michigan schools
8 for the deaf and blind, the department shall assess the
9 intermediate school district of residence 100% of the cost of
10 operating the student's instructional program. The amount shall
11 exclude room and board related costs and the cost of weekend
12 transportation between the school and the student's home.

13 Sec. 406. (1) The Michigan schools for the deaf and blind may
14 promote its residential program as a possible appropriate option
15 for children who are deaf or hard of hearing or who are blind or
16 visually impaired. The Michigan schools for the deaf and blind
17 shall distribute information detailing its services to all
18 intermediate school districts in the state.

19 (2) Upon knowledge of or recognition by an intermediate school
20 district that a child in the district is deaf or hard of hearing or
21 blind or visually impaired, the intermediate school district shall
22 provide to the parents of the child the literature distributed by
23 the Michigan schools for the deaf and blind to intermediate school
24 districts under subsection (1).

25 (3) Parents will continue to have a choice regarding the
26 educational placement of their deaf or hard-of-hearing children.

1 Sec. 407. Revenue received by the Michigan schools for the
2 deaf and blind from gifts, bequests, donations, and local district
3 service fees that is unexpended at the end of the state fiscal year
4 may be carried over to the succeeding fiscal year and shall not
5 revert to the general fund.

6 Sec. 408. For the funds appropriated in part 1 for the low
7 incidence outreach fund, the funds collected by the Michigan
8 schools for the deaf and the low incidence outreach program for
9 document reproduction and services; conferences, workshops, and
10 training classes; and the use of specialized equipment, facilities,
11 and software are appropriated for all expenses necessary to provide
12 the required services. These funds are available for expenditure
13 when they are received and may be carried forward into the next
14 succeeding fiscal year.

15 **PROFESSIONAL PREPARATION SERVICES**

16 Sec. 501. From the funds appropriated in part 1 for
17 professional preparation services, the department shall maintain
18 certificate revocation/felony conviction files of educational
19 personnel.

20 Sec. 502. The department shall authorize teacher preparation
21 institutions to provide an alternative program by which up to 1/2
22 of the required student internship or student teaching credits may
23 be earned through substitute teaching. The department shall require
24 that teacher preparation institutions collaborate with school
25 districts to ensure that the quality of instruction provided to
26 student teachers is comparable to that required in a traditional

1 student teaching program.

2 Sec. 503. From the funds appropriated in part 1 for
3 professional preparation services - professional preparation
4 operations, the department shall coordinate professional
5 development with the Michigan Virtual Learning Research Institute
6 and external stakeholders.

7 Sec. 506. Revenue received from teacher testing fees that is
8 unexpended at the end of the state fiscal year may be carried over
9 to the succeeding fiscal year and shall not revert to the general
10 fund.

11 Sec. 507. From the funds appropriated in part 1, the
12 department shall adopt a teacher certification test that ensures
13 that all newly certified elementary teachers have the skills to
14 deliver evidence-based literacy instruction. The department may use
15 teacher certification or teacher testing fee revenue to the extent
16 allowable under law to implement this section, or may pass along
17 increased testing fees to teachers as allowable and appropriate.

18 **FIELD SERVICES**

19 Sec. 701. (1) From the funds appropriated in part 1 for field
20 services operations, the department shall produce a report
21 detailing the progress made by districts with grades K-3 receiving
22 at-risk funding under section 31a of the state school aid act of
23 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered
24 systems of supports in the prior school fiscal year.

25 (2) The report shall include, at a minimum:

26 (a) A description of the training, coaching, and technical

1 assistance offered by the department to districts to support the
2 implementation of effective multitiered systems of supports.

3 (b) A list of districts determined by the department to have
4 successfully implemented multitiered systems of supports.

5 (c) A list of best practices that the department has
6 identified that may be used by districts to implement multitiered
7 systems of supports.

8 (d) Other information the department determines would be
9 useful to understanding the status of districts' implementation of
10 effective multitiered systems of supports.

11 (3) The report shall be provided to the state budget director,
12 the house and senate subcommittees that oversee the department of
13 education and school aid budgets, and the house and senate fiscal
14 agencies by September 30, 2017.

15 **LIBRARY OF MICHIGAN**

16 Sec. 801. For the funds appropriated in part 1 for library
17 fees, the funds collected by the department for document
18 reproduction and services; conferences, workshops, and training
19 classes; and the use of specialized equipment, facilities, and
20 software are appropriated for all expenses necessary to provide the
21 required services. These funds are available for expenditure when
22 they are received and may be carried forward into the next
23 succeeding fiscal year.

24 Sec. 803. It is the intent of the legislature that the library
25 of Michigan and the component programs currently within the library
26 of Michigan with the exception of the genealogical collections

1 shall be kept together in a state department.

2 Sec. 804. (1) The funds appropriated in part 1 for renaissance
3 zone reimbursements shall be used to reimburse public libraries
4 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
5 MCL 125.2692, for taxes levied in 2016. The allocations shall be
6 made not later than 60 days after the department of treasury
7 certifies to the department and to the state budget director that
8 the department of treasury has received all necessary information
9 to properly determine the amounts due to each eligible recipient.

10 (2) If the amount appropriated under this section is not
11 sufficient to fully pay obligations under this section, payments
12 shall be prorated on an equal basis among all eligible public
13 libraries.

14 **MICHIGAN OFFICE OF GREAT START**

15 Sec. 1001. By November 1, 2016, the department shall submit a
16 report to the house and senate appropriations subcommittees on the
17 department of education budget and the house and senate fiscal
18 agencies on the number of eligible child care providers by type
19 receiving payment for child care services from the department on
20 October 1, 2016.

21 Sec. 1003. (1) The department shall provide the house and
22 senate appropriations subcommittees on the department budget with
23 an annual report on all funding appropriated to the Early Childhood
24 Investment Corporation by the state during the previous fiscal
25 year. The report is due by February 15 and must contain at least
26 the following information:

1 (a) Total funding appropriated to the Early Childhood
2 Investment Corporation by the state during the previous fiscal
3 year.

4 (b) The amount of funding for each grant awarded.

5 (c) The grant recipients.

6 (d) The activities funded by each grant.

7 (e) An analysis of each grant recipient's success in
8 addressing the development of a comprehensive system of early
9 childhood services and supports.

10 (2) All department contracts for early childhood comprehensive
11 systems planning shall be bid out through a statewide request-for-
12 proposal process.

13 Sec. 1004. From the funds appropriated in part 1 for child
14 development and care public assistance, the department shall expand
15 the child development and care program in the current fiscal year.
16 The purpose of this program expansion is to increase the number of
17 low-income children in high-quality early learning programs, to
18 increase the number of children ready for school at kindergarten
19 entry, and to increase the number of children who are reading at
20 grade level by the end of third grade.

21 Sec. 1007. (1) From the funds appropriated in part 1 for child
22 development and care - external support, the department shall
23 create progress reports that shall include, but are not limited to,
24 the following:

25 (a) Both the on-site and off-site activities that are intended
26 to improve child care provider quality and the number of times
27 those activities are performed by the licensing consultants.

1 (b) How many on-site visits a single licensing consultant has
2 made since the start of the 2016-2017 fiscal year.

3 (c) The types of on-site visits and the number of visits for
4 each type that a single consultant has made since the start of
5 fiscal year 2016-2017.

6 (d) The number of providers that have improved their quality
7 rating since the start of fiscal year 2016-2017 compared to the
8 same time period in fiscal year 2015-2016.

9 (e) The types of activities that are intended to improve
10 licensing consultant performance and child care provider quality
11 and the number of times those activities are performed by the
12 managers and administrators.

13 (2) The progress reports shall be sent to the state budget
14 director, the house and senate subcommittees that oversee the
15 department of education, and the house and senate fiscal agencies
16 by April 1, 2017 and September 30, 2017.

17 Sec. 1008. From the amount appropriated in part 1 for office
18 of great start operations, the department shall work with the
19 department of health and human services to coordinate services
20 provided to families for home visits, reduce duplication of state
21 services and spending, and increase efficiencies including the home
22 visits funded under section 32p of the state school aid act of
23 1979, 1979 PA 94, MCL 388.1632p.

24 Sec. 1009. From the funds appropriated in part 1 for child
25 development and care - child development and care public
26 assistance, there is allocated \$7,666,100.00 to raise the entrance
27 threshold of the child development and care program from 121% of

1 the federal poverty guidelines to 125% of the federal poverty
2 guidelines.

3 Sec. 1010. From the funds appropriated in part 1 for drinking
4 water declaration of emergency, the unexpended funds appropriated
5 for drinking water declaration of emergency needs are designated as
6 a work project appropriation, and any unencumbered or unallotted
7 funds shall not lapse at the end of the fiscal year and shall be
8 available for expenditures for projects under this section until
9 the projects have been completed. The following is in compliance
10 with section 451a of the management and budget act, 1984 PA 431,
11 MCL 18.1451a:

12 (a) The purpose of the project is to provide for children
13 where a drinking water declaration of emergency exists that are
14 impacted by the emergency declaration dated January 5, 2016.

15 (b) The projects will be accomplished by utilizing state
16 employees or contracts with service providers, or both.

17 (c) The total estimated cost of the project is \$8,050,000.00.

18 (d) The tentative completion date is September 30, 2018.

19 **ACCOUNTABILITY SERVICES**

20 Sec. 1021. Using the funds appropriated in part 1, the
21 department shall work in collaboration with the department of
22 technology, management, and budget to renegotiate the contract with
23 the ACT to ensure that it registers, issues, and ships to schools a
24 printed national career readiness certificate (NCRC) to each
25 Michigan student who takes the ACT WorkKeys test, successfully
26 completes the exam, qualifies for the certificate, and ensures that

1 the renegotiated contract results in minimal or no additional costs
2 to the state. If a renegotiation cannot be completed that results
3 in minimal or no additional costs to the state, the department
4 shall rebid the contract for the workskills portion of the Michigan
5 merit exam (MME).

6 **ONE-TIME APPROPRIATIONS**

7 Sec. 1101. (1) From the funds appropriated in part 1 for
8 drinking water declaration of emergency, the department shall
9 allocate funding to address the child care needs in a city in which
10 a declaration of emergency was issued because of drinking water
11 contamination. Funds shall be used to support the following
12 activities in the city:

13 (a) Pilot the expansion of the child development and care
14 eligibility to children ages 0 to 3 for 1/2-day child care services
15 by increasing the household income entrance threshold to 300% of
16 the federal poverty guidelines.

17 (b) Provide information to child care providers on
18 identification and intervention services for children demonstrating
19 potential developmental delays associated with exposure to lead.

20 (2) The department shall amend definitions and eligibility
21 requirements in the child care and development fund state plan as
22 necessary to implement this section.

23 (3) The department shall create a report that includes, but is
24 not limited to, all of the following:

25 (a) The number of children ages 0 to 3 in a city where there
26 is a drinking water declaration of emergency.

1 (b) The number of children ages 0 to 3 in a city where there
2 is a drinking water declaration of emergency served by the child
3 development and care program before the implementation of the
4 increase to the entrance threshold to 300% of the federal poverty
5 guidelines.

6 (c) The number of children ages 0 to 3 in a city where there
7 is a drinking water declaration of emergency served by the child
8 development and care program after the implementation of the
9 increase to the entrance threshold to 300% of the federal poverty
10 guidelines.

11 (d) The number of cases including a child aged 0 to 3 in a
12 city where there is a drinking water declaration of emergency and
13 being served by the child development and care program.

14 (e) The number of children receiving referrals for additional
15 screenings, assessments, or services that are ages 0 to 3 in a city
16 where there is a drinking water declaration of emergency and served
17 by the child development and care program.

18 (f) The number of children ages 0 to 3 identified with
19 developmental delays in a city where there is a drinking water
20 declaration of emergency and served by the child development and
21 care program.

22 (g) The number of children ages 0 to 3 who are in 1-parent
23 households in a city where there is a drinking water declaration of
24 emergency and served by the child development and care program.

25 (h) The number of children ages 0 to 3 who are in 2-parent
26 households in a city where there is a drinking water declaration of
27 emergency and served by the child development and care program.

1 (i) The number of child care providers that were provided
2 training on identifying the impacts of lead exposure, as well as
3 related developmental delays that are serving children ages 0 to 3
4 in a city where there is a drinking water declaration of emergency
5 and participating in the child development and care program.

6 (j) The types and number of communications with parents or
7 caretakers on the impact of developmental delays and available
8 services for children ages 0 to 3 in a city where there is a
9 drinking water declaration of emergency and are being served by the
10 child development and care program. The department shall create a
11 list of communication types that includes, but is not limited to,
12 all of the following: in person, telephone, letter, and electronic
13 mail.

14 (4) The report created under subsection (3) shall be sent to
15 the state budget director, the house and senate subcommittees that
16 oversee the department of education, and the house and senate
17 fiscal agencies by the first of every month until the drinking
18 water declaration of emergency has been lifted.

19 Sec. 1102. (1) From the funds appropriated in part 1 for the
20 statewide school drinking water quality program, each public school
21 and registered nonpublic school will be eligible for up to \$950.00
22 per school building. Funds will be provided on a reimbursement
23 basis for costs for statewide school testing, fixture replacement,
24 filter purchases, plumbing assessments, or technical assistance
25 incurred from July 1, 2016 to September 30, 2017. As used in this
26 subsection, "school building" means a "school" or "unique education
27 provider" as defined within the Educational Entity Master, where

1 instruction is provided to students.

2 (2) Public school districts, public school academies, and
3 nonpublic schools will be required to submit proof of public
4 notification of the number of fixtures providing water for drinking
5 or food preparation, testing results, number of fixtures replaced,
6 and other corrective action plans prior to reimbursement.

7 (3) Public school districts, public school academies, and
8 nonpublic schools will be required to submit reimbursement requests
9 through the existing electronic Michigan department of education
10 grant monitoring system, as specified.

11 (4) The department, department of environmental quality, and
12 department of licensing and regulatory affairs will provide support
13 to the schools, including technical assistance, analysis of
14 results, site visits, and outreach materials. Administrative costs
15 not to exceed 5% of the funding will be supported from the
16 appropriation.

17 (5) The department and the department of environmental quality
18 will prepare a report summarizing the number of fixtures reported
19 per school, tests completed, tests with elevated levels of lead,
20 fixtures replaced, and schools completing a plumbing assessment.
21 The report will be submitted to the legislature by December 31,
22 2017.

23 PART 2A

24 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

25 FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

ARTICLE VII

DEPARTMENT OF ENVIRONMENTAL QUALITY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environmental quality for the fiscal year ending September 30, 2017, from the following funds:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 1,232.0

GROSS APPROPRIATION..... \$ 513,549,400

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 9,225,700

1	ADJUSTED GROSS APPROPRIATION.....	\$	504,323,700
2	Federal revenues:		
3	Federal funds.....		138,687,200
4	Special revenue funds:		
5	Private funds.....		555,300
6	Total other state restricted revenues.....		317,344,800
7	State general fund/general purpose.....	\$	47,736,400
8	State general fund/general purpose schedule:		
9	Ongoing state general fund/general		
10	purpose		35,336,400
11	One-time state general fund/general		
12	purpose		12,400,000
13	FUND SOURCE SUMMARY		
14	Full-time equated unclassified positions.....		6.0
15	Full-time equated classified positions.....		1,232.0
16	GROSS APPROPRIATION.....	\$	513,549,400
17	Interdepartmental grant revenues:		
18	IDG, MDOT - Michigan transportation fund.....		1,335,100
19	IDG, MDSP.....		1,744,500
20	IDT, interdivisional charges.....		2,053,400
21	IDT, laboratory services.....		4,092,700
22	Total interdepartmental grants and intradepartmental		
23	transfers		9,225,700
24	ADJUSTED GROSS APPROPRIATION.....	\$	504,323,700
25	Federal revenues:		
26	Federal funds.....		138,687,200
27	Special revenue funds:		

1	Private funds.....	555,300
2	Air emissions fees.....	12,132,700
3	Aquatic nuisance control fund.....	913,200
4	Campground fund.....	315,100
5	Clean Michigan initiative - clean water fund.....	3,417,100
6	Clean Michigan initiative - contaminated sediments...	2,265,000
7	Clean Michigan initiative - nonpoint source.....	2,000,000
8	Clean Michigan initiative - response activities.....	14,900,000
9	Cleanup and redevelopment fund.....	19,394,700
10	Community pollution prevention fund.....	250,000
11	Electronic waste recycling fund.....	327,100
12	Environmental education fund.....	166,200
13	Environmental pollution prevention fund.....	7,977,300
14	Environmental protection fund.....	2,429,900
15	Environmental response fund.....	3,773,600
16	Fees and collections.....	407,500
17	Financial instruments.....	9,416,500
18	Flint emergency reserve fund.....	100
19	Great Lakes protection fund.....	391,100
20	Groundwater discharge permit fees.....	1,751,000
21	Infrastructure construction fund.....	50,900
22	Land and water permit fees.....	3,217,000
23	Landfill maintenance trust fund.....	31,000
24	Medical waste emergency response fund.....	330,800
25	Metallic mining surveillance fee revenue.....	100,400
26	Mineral well regulatory fee revenue.....	220,600
27	Nonferrous metallic mineral surveillance.....	358,900

1	NPDES fees.....	4,542,100
2	Oil and gas regulatory fund.....	5,103,500
3	Orphan well fund.....	2,408,600
4	Public swimming pool fund.....	650,300
5	Public utility assessments.....	262,000
6	Public water supply fees.....	4,914,000
7	Refined petroleum fund.....	42,473,800
8	Revitalization revolving loan fund.....	103,100
9	Revolving loan revenue bonds.....	11,400,000
10	Sand extraction fee revenue.....	92,500
11	Scrap tire regulatory fund.....	5,080,800
12	Septage waste contingency fund.....	18,400
13	Septage waste program fund.....	525,000
14	Settlement funds.....	425,400
15	Sewage sludge land application fees.....	1,128,400
16	Small business pollution prevention revolving loan	
17	fund	165,100
18	Soil erosion and sedimentation control training fund .	169,600
19	Solid waste management fund - staff account	5,058,000
20	Stormwater permit fees.....	3,149,500
21	Strategic water quality initiatives fund.....	116,193,700
22	Underground storage tank cleanup fund.....	20,011,400
23	Wastewater operator training fees.....	584,200
24	Water analysis fees.....	2,239,600
25	Water pollution control revolving fund.....	3,724,400
26	Water quality protection fund.....	100,000
27	Water use reporting fees.....	283,700

1	Total other state restricted revenues	317,344,800
2	State general fund/general purpose	\$ 47,736,400
3	Sec. 102. EXECUTIVE OPERATIONS	
4	Full-time equated unclassified positions..... 6.0	
5	Full-time equated classified positions..... 13.0	
6	Unclassified salaries--6.0 FTE positions	\$ 754,000
7	Executive direction--13.0 FTE positions	<u>2,099,400</u>
8	GROSS APPROPRIATION	\$ 2,853,400
9	Appropriated from:	
10	Federal revenues:	
11	Federal funds	27,600
12	Special revenue funds:	
13	Environmental protection fund	304,900
14	Environmental response fund	173,100
15	Oil and gas regulatory fund	226,900
16	Refined petroleum fund	601,000
17	Settlement funds	11,600
18	State general fund/general purpose	\$ 1,508,300
19	Sec. 103. OFFICE OF THE GREAT LAKES	
20	Full-time equated classified positions..... 12.0	
21	Office of the Great Lakes--12.0 FTE positions	\$ 2,170,700
22	Coastal management grants	<u>1,250,000</u>
23	GROSS APPROPRIATION	\$ 3,420,700
24	Appropriated from:	
25	Federal revenues:	
26	Federal funds	2,037,900
27	Special revenue funds:	

1	Great Lakes protection fund.....	369,400
2	Settlement funds.....	113,700
3	State general fund/general purpose.....	\$ 899,700
4	Sec. 104. GREAT LAKES RESTORATION INITIATIVE	
5	Full-time equated classified positions.....	6.0
6	Great Lakes restoration initiative--6.0 FTE positions	\$ <u>15,090,700</u>
7	GROSS APPROPRIATION.....	\$ 15,090,700
8	Appropriated from:	
9	Federal revenues:	
10	Federal funds.....	15,090,700
11	Special revenue funds:	
12	State general fund/general purpose.....	\$ 0
13	Sec. 105. DEPARTMENT SUPPORT SERVICES	
14	Full-time equated classified positions.....	34.0
15	Central support services--34.0 FTE positions.....	\$ 4,147,800
16	Accounting service center.....	1,391,400
17	Administrative hearings.....	381,200
18	Automated data processing.....	2,053,400
19	Building occupancy charges.....	4,582,800
20	Environmental support projects.....	5,000,000
21	Rent - privately owned property.....	<u>2,240,600</u>
22	GROSS APPROPRIATION.....	\$ 19,797,200
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG, MDSP.....	60,100
26	IDT, interdivisional charges.....	2,053,400
27	IDT, laboratory services.....	153,300

1	Special revenue funds:	
2	Air emissions fees.....	1,258,400
3	Campground fund.....	14,300
4	Cleanup and redevelopment fund.....	1,438,700
5	Electronic waste recycling fund.....	15,300
6	Environmental pollution prevention fund.....	778,800
7	Environmental response fund.....	217,800
8	Fees and collections.....	26,900
9	Financial instruments.....	7,261,900
10	Great Lakes protection fund.....	14,100
11	Groundwater discharge permit fees.....	182,600
12	Land and water permit fees.....	528,500
13	Medical waste emergency response fund.....	16,100
14	Metallic mining surveillance fee revenue.....	4,500
15	Mineral well regulatory fee revenue.....	8,100
16	Nonferrous metallic mineral surveillance.....	800
17	NPDES fees.....	224,300
18	Oil and gas regulatory fund.....	598,500
19	Orphan well fund.....	47,400
20	Public swimming pool fund.....	24,600
21	Public utility assessments.....	19,500
22	Public water supply fees.....	174,300
23	Refined petroleum fund.....	1,610,700
24	Sand extraction fee revenue.....	3,800
25	Scrap tire regulatory fund.....	152,600
26	Septage waste program fund.....	18,100
27	Settlement funds.....	37,200

1	Sewage sludge land application fees	116,500
2	Small business pollution prevention revolving loan	
3	fund	17,400
4	Soil erosion and sedimentation control training fund.	17,000
5	Solid waste management fund - staff account	306,400
6	Stormwater permit fees	115,200
7	Wastewater operator training fees	31,000
8	Water analysis fees	138,100
9	Water use reporting fees	22,200
10	State general fund/general purpose	\$ 2,088,800
11	Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE	
12	Full-time equated classified positions..... 38.0	
13	Office of environmental assistance--38.0 FTE positions	\$ 6,257,700
14	Pollution prevention local grants	<u>250,000</u>
15	GROSS APPROPRIATION	\$ 6,507,700
16	Appropriated from:	
17	Federal revenues:	
18	Federal funds	704,800
19	Special revenue funds:	
20	Private funds	364,200
21	Air emissions fees	136,300
22	Community pollution prevention fund	250,000
23	Environmental education fund	166,200
24	Environmental pollution prevention fund	1,501,300
25	Fees and collections	120,100
26	Settlement funds	262,900
27	Small business pollution prevention revolving loan	

1	fund	134,400
2	State general fund/general purpose	\$ 2,867,500
3	Sec. 107. WATER RESOURCE DIVISION	
4	Full-time equated classified positions.....	316.0
5	Land and water interface permit programs--	82.0 FTE
6	positions	\$ 11,659,600
7	Program direction and project assistance--	27.0 FTE
8	positions	3,030,700
9	Water withdrawal assessment program--	4.0 FTE positions
10	Water quality and use initiative/general--	5.0 FTE
11	positions	1,645,700
12	Real-time beach monitoring program.....	500,000
13	Wetlands program.....	1,000,000
14	Aquatic nuisance control program--	6.0 FTE positions ..
15	Expedited water/wastewater permits--	1.0 FTE position .
16	Fish contaminant monitoring.....	316,100
17	Groundwater discharge--	22.0 FTE positions
18	NPDES nonstormwater program--	83.0 FTE positions
19	Surface water--	86.0 FTE positions
20	Federal - Great Lakes remedial action plan grants	583,800
21	Federal - nonpoint source water pollution grants	4,083,300
22	Contaminated lake and river sediment cleanup program .	1,565,000
23	Nonpoint source pollution prevention and control	
24	project program	2,000,000
25	Wetland mitigation banking grants and loans	3,000,000
26	Water quality protection grants	<u>100,000</u>
27	GROSS APPROPRIATION.....	\$ 63,963,400

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG, MDOT - Michigan transportation fund.....	1,249,000
4	Federal revenues:	
5	Federal funds.....	19,479,100
6	Special revenue funds:	
7	Aquatic nuisance control fund.....	913,200
8	Clean Michigan initiative - clean water fund.....	3,417,100
9	Clean Michigan initiative - contaminated sediments...	1,565,000
10	Clean Michigan initiative - nonpoint source.....	2,000,000
11	Environmental response fund.....	204,800
12	Groundwater discharge permit fees.....	1,472,900
13	Infrastructure construction fund.....	50,900
14	Land and water permit fees.....	2,345,100
15	NPDES fees.....	4,144,500
16	Refined petroleum fund.....	442,300
17	Sewage sludge land application fees.....	950,200
18	Soil erosion and sedimentation control training fund.	139,600
19	Stormwater permit fees.....	2,945,900
20	Strategic water quality initiatives fund.....	3,000,000
21	Wastewater operator training fees.....	280,700
22	Water pollution control revolving fund.....	821,900
23	Water quality protection fund.....	100,000
24	Water use reporting fees.....	245,100
25	State general fund/general purpose.....	\$ 18,196,100
26	Sec. 108. LAW ENFORCEMENT DIVISION	
27	Full-time equated classified positions.....	14.0

1	Environmental investigations--14.0 FTE positions	\$ <u>2,837,200</u>
2	GROSS APPROPRIATION.....	\$ 2,837,200
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDT, laboratory services.....	15,800
6	Federal revenues:	
7	Federal funds.....	575,700
8	Special revenue funds:	
9	Air emissions fees.....	56,300
10	Campground fund.....	2,100
11	Cleanup and redevelopment fund.....	187,600
12	Electronic waste recycling fund.....	1,600
13	Environmental pollution prevention fund.....	107,500
14	Environmental response fund.....	40,300
15	Fees and collections.....	4,100
16	Financial instruments.....	519,100
17	Great Lakes protection fund.....	1,500
18	Groundwater discharge permit fees.....	18,800
19	Land and water permit fees.....	77,700
20	Medical waste emergency response fund.....	2,400
21	Metallic mining surveillance fee revenue.....	700
22	Mineral well regulatory fee revenue.....	1,200
23	NPDES fees.....	32,300
24	Oil and gas regulatory fund.....	86,600
25	Orphan well fund.....	7,100
26	Public swimming pool fund.....	3,700
27	Public utility assessments.....	2,000

1	Public water supply fees.....	26,500
2	Refined petroleum fund.....	362,500
3	Sand extraction fee revenue.....	600
4	Scrap tire regulatory fund.....	29,200
5	Septage waste program fund.....	2,700
6	Sewage sludge land application fees.....	12,200
7	Small business pollution prevention revolving loan	
8	fund	2,600
9	Soil erosion and sedimentation control training fund.	2,600
10	Solid waste management fund - staff account	40,800
11	Stormwater permit fees.....	17,500
12	Wastewater operator training fees.....	4,600
13	Water analysis fees.....	18,200
14	Water use reporting fees.....	3,100
15	State general fund/general purpose.....	\$ 570,000
16	Sec. 109. AIR QUALITY DIVISION	
17	Full-time equated classified positions..... 188.0	
18	Air quality programs--188.0 FTE positions.....	\$ <u>27,231,500</u>
19	GROSS APPROPRIATION.....	\$ 27,231,500
20	Appropriated from:	
21	Federal revenues:	
22	Federal funds.....	7,450,200
23	Special revenue funds:	
24	Air emissions fees.....	10,015,300
25	Environmental pollution prevention fund.....	1,362,000
26	Fees and collections.....	205,300
27	Oil and gas regulatory fund.....	137,200

1	Refined petroleum fund.....		3,657,200
2	State general fund/general purpose.....	\$	4,404,300
3	Sec. 110. RESOURCE MANAGEMENT DIVISION		
4	Full-time equated classified positions.....	305.0	
5	Drinking water and environmental health--106.0 FTE		
6	positions	\$	14,901,900
7	Hazardous waste management program--45.0 FTE positions		6,946,100
8	Low-level radioactive waste authority--2.0 FTE		
9	positions		232,600
10	Medical waste program--2.0 FTE positions		302,300
11	Municipal assistance--29.0 FTE positions		4,800,500
12	Radiological protection program--12.0 FTE positions ..		1,966,500
13	Scrap tire regulatory program--10.0 FTE positions		1,334,700
14	Oil, gas, and mineral services--59.0 FTE positions ...		6,794,800
15	Recycling initiative--3.0 FTE positions		1,008,700
16	Solid waste management program--37.0 FTE positions ...		5,026,400
17	Drinking water program grants		830,000
18	Noncommunity water grants		2,000,000
19	Septage waste compliance grants		275,000
20	Strategic water quality initiative grants and loans ..		97,000,000
21	Water pollution control and drinking water revolving		
22	fund		84,993,000
23	Scrap tire grants		<u>3,500,000</u>
24	GROSS APPROPRIATION	\$	231,912,500
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG, MDSP		1,658,600

1	Federal revenues:	
2	Federal funds.....	86,027,300
3	Special revenue funds:	
4	Campground fund.....	290,300
5	Electronic waste recycling fund.....	303,700
6	Environmental pollution prevention fund.....	3,768,300
7	Fees and collections.....	34,500
8	Medical waste emergency response fund.....	302,300
9	Metallic mining surveillance fee revenue.....	92,500
10	Mineral well regulatory fee revenue.....	206,400
11	Nonferrous metallic mineral surveillance.....	357,800
12	Oil and gas regulatory fund.....	3,727,700
13	Orphan well fund.....	2,324,600
14	Public swimming pool fund.....	606,900
15	Public utility assessments.....	232,600
16	Public water supply fees.....	4,257,700
17	Refined petroleum fund.....	682,500
18	Revolving loan revenue bonds.....	11,400,000
19	Sand extraction fee revenue.....	85,800
20	Scrap tire regulatory fund.....	4,834,700
21	Septage waste contingency fund.....	18,400
22	Septage waste program fund.....	492,900
23	Solid waste management fund - staff account.....	4,539,600
24	Strategic water quality initiatives fund.....	98,193,700
25	Wastewater operator training fees.....	248,700
26	Water pollution control revolving fund.....	2,858,900
27	State general fund/general purpose.....	\$ 4,366,100

1	Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION		
2	Full-time equated classified positions.....	291.0	
3	Contaminated site investigations, cleanup and		
4	revitalization--127.0 FTE positions.....	\$	13,859,200
5	Federal cleanup project management--40.0 FTE positions		6,934,500
6	Laboratory services--39.0 FTE positions		6,175,300
7	Emergency cleanup actions.....		4,000,000
8	Environmental cleanup support.....		1,840,000
9	Environmental cleanup and redevelopment program.....		29,900,000
10	Refined petroleum product cleanup program--85.0 FTE		
11	positions		34,475,700
12	Superfund cleanup.....		<u>1,000,000</u>
13	GROSS APPROPRIATION.....	\$	98,184,700
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDT, laboratory services.....		3,858,800
17	Federal revenues:		
18	Federal funds.....		6,305,400
19	Special revenue funds:		
20	Private funds.....		191,100
21	Clean Michigan initiative - response activities		14,900,000
22	Cleanup and redevelopment fund.....		17,006,600
23	Environmental protection fund.....		2,037,600
24	Environmental response fund.....		2,972,000
25	Landfill maintenance trust fund.....		31,000
26	Public water supply fees.....		307,500
27	Refined petroleum fund.....		33,462,600

1	Revitalization revolving loan fund.....	103,100
2	Strategic water quality initiatives fund.....	15,000,000
3	Water analysis fees.....	2,009,000
4	State general fund/general purpose.....	\$ 0
5	Sec. 112. UNDERGROUND STORAGE TANK AUTHORITY	
6	Full-time equated classified positions.....	5.0
7	Underground storage tank cleanup program--5.0 FTE	
8	positions	\$ <u>20,011,400</u>
9	GROSS APPROPRIATION.....	\$ 20,011,400
10	Appropriated from:	
11	Special revenue funds:	
12	Underground storage tank cleanup fund.....	20,011,400
13	State general fund/general purpose.....	\$ 0
14	Sec. 113. INFORMATION TECHNOLOGY	
15	Information technology services and projects	\$ <u>8,638,900</u>
16	GROSS APPROPRIATION.....	\$ 8,638,900
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG, MDOT - Michigan transportation fund.....	86,100
20	IDG, MDSP.....	25,800
21	IDT, laboratory services.....	64,800
22	Federal revenues:	
23	Federal funds.....	988,500
24	Special revenue funds:	
25	Air emissions fees.....	666,400
26	Campground fund.....	8,400
27	Cleanup and redevelopment fund.....	761,800

1	Electronic waste recycling fund.....	6,500
2	Environmental pollution prevention fund.....	459,400
3	Environmental protection fund.....	87,400
4	Environmental response fund.....	165,600
5	Fees and collections.....	16,600
6	Financial instruments.....	1,635,500
7	Great Lakes protection fund.....	6,100
8	Groundwater discharge permit fees.....	76,700
9	Land and water permit fees.....	265,700
10	Medical waste emergency response fund.....	10,000
11	Metallic mining surveillance fee revenue.....	2,700
12	Mineral well regulatory fee revenue.....	4,900
13	Nonferrous metallic mineral surveillance.....	300
14	NPDES fees.....	141,000
15	Oil and gas regulatory fund.....	326,600
16	Orphan well fund.....	29,500
17	Public swimming pool fund.....	15,100
18	Public utility assessments.....	7,900
19	Public water supply fees.....	148,000
20	Refined petroleum fund.....	1,655,000
21	Sand extraction fee revenue.....	2,300
22	Scrap tire regulatory fund.....	64,300
23	Septage waste program fund.....	11,300
24	Sewage sludge land application fees.....	49,500
25	Small business pollution prevention revolving loan	
26	fund	10,700
27	Soil erosion and sedimentation control training fund.	10,400

1	Solid waste management fund - staff account	171,200
2	Stormwater permit fees	70,900
3	Wastewater operator training fees	19,200
4	Water analysis fees	74,300
5	Water pollution control revolving fund	43,600
6	Water use reporting fees	13,300
7	State general fund/general purpose	\$ 435,600
8	Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS	
9	Full-time equated classified positions..... 10.0	
10	Contaminated lake and river sediment cleanup program .	\$ 700,000
11	Drinking water declaration of emergency--10.0 FTE	
12	positions	5,400,100
13	Oil, gas, and mineral services (one-time)	4,000,000
14	Saginaw River dredging project - phase I	50,000
15	Water pollution control and drinking water revolving	
16	fund	<u>2,950,000</u>
17	GROSS APPROPRIATION	\$ 13,100,100
18	Appropriated from:	
19	Special revenue funds:	
20	Clean Michigan initiative - contaminated sediments ...	700,000
21	Flint emergency reserve fund	100
22	State general fund/general purpose	\$ 12,400,000

23 PART 2

24 PROVISIONS CONCERNING APPROPRIATIONS

25 FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2017 is \$365,081,200.00 and state appropriations paid to local units of government are \$3,750,000.00. The following itemized list identifies appropriations from which appropriations to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Drinking water and environmental health.....	\$	212,000
Drinking water program grants.....		157,000
Emergency cleanup actions.....		106,000
Noncommunity water grants.....		1,700,000
Scrap tire grants.....		500,000
Pollution prevention local grants.....		250,000
Real-time beach monitoring program.....		500,000
Septage waste compliance grants.....		100,000
Solid waste management program.....		65,000
Surface water.....		<u>160,000</u>
TOTAL.....	\$	3,750,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "Department" means the department of environmental quality.

(b) "Director" means the director of the department.

1 (c) "FTE" means full-time equated.

2 (d) "IDG" means interdepartmental grant.

3 (e) "IDT" means intradepartmental transfer.

4 (f) "MDOT" means the state transportation department.

5 (g) "MDSP" means the department of state police.

6 (h) "NPDES" means national pollution discharge elimination
7 system.

8 Sec. 204. The departments and agencies receiving
9 appropriations in part 1 shall use the Internet to fulfill the
10 reporting requirements of this part. This requirement may include
11 transmission of reports via electronic mail to the recipients
12 identified for each reporting requirement, or it may include
13 placement of reports on an Internet or Intranet site.

14 Sec. 205. Funds appropriated in part 1 shall not be used for
15 the purchase of foreign goods or services, or both, if
16 competitively priced and of comparable quality American goods or
17 services, or both, are available. Preference shall be given to
18 goods or services, or both, manufactured or provided by Michigan
19 businesses if they are competitively priced and of comparable
20 quality. In addition, preference shall be given to goods or
21 services, or both, that are manufactured or provided by Michigan
22 businesses owned and operated by veterans, if they are
23 competitively priced and of comparable quality.

24 Sec. 206. The director shall take all reasonable steps to
25 ensure businesses in deprived and depressed communities compete for
26 and perform contracts to provide services or supplies, or both. The
27 director shall strongly encourage firms with which the department

1 contracts to subcontract with certified businesses in depressed and
2 deprived communities for services, supplies, or both.

3 Sec. 207. The departments and agencies receiving
4 appropriations in part 1 shall prepare a report on out-of-state
5 travel expenses not later than January 1 of each year. The travel
6 report shall be a listing of all travel by classified and
7 unclassified employees outside this state in the immediately
8 preceding fiscal year that was funded in whole or in part with
9 funds appropriated in the department's budget. The report shall be
10 submitted to the house and senate appropriations committees, the
11 house and senate fiscal agencies, and the state budget director.
12 The report shall include the following information:

13 (a) The dates of each travel occurrence.

14 (b) The total transportation and related costs of each travel
15 occurrence, including the proportion funded with state general
16 fund/general purpose revenues, the proportion funded with state
17 restricted revenues, the proportion funded with federal revenues,
18 and the proportion funded with other revenues.

19 Sec. 208. Funds appropriated in this part and part 1 shall not
20 be used by a principal executive department, state agency, or
21 authority to hire a person to provide legal services that are the
22 responsibility of the attorney general. This prohibition does not
23 apply to legal services for bonding activities and for those
24 activities that the attorney general authorizes.

25 Sec. 209. Not later than November 30, the state budget office
26 shall prepare and transmit a report that provides for estimates of
27 the total general fund/general purpose appropriation lapses at the

1 close of the prior fiscal year. This report shall summarize the
2 projected year-end general fund/general purpose appropriation
3 lapses by major departmental program or program areas. The report
4 shall be transmitted to the chairpersons of the senate and house
5 appropriations committees and the senate and house fiscal agencies.

6 Sec. 210. (1) In addition to the funds appropriated in part 1,
7 there is appropriated an amount not to exceed \$30,000,000.00 for
8 federal contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in part 1 under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

12 (2) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$5,000,000.00 for state
14 restricted contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in part 1 under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

18 (3) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$100,000.00 for local
20 contingency funds. These funds are not available for expenditure
21 until they have been transferred to another line item in part 1
22 under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

24 (4) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$500,000.00 for private
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in part 1

1 under section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 Sec. 211. The department shall cooperate with the department
4 of technology, management, and budget to maintain a searchable
5 website accessible by the public at no cost that includes, but is
6 not limited to, all of the following for each department or agency:

7 (a) Fiscal year-to-date expenditures by category.

8 (b) Fiscal year-to-date expenditures by appropriation unit.

9 (c) Fiscal year-to-date payments to a selected vendor,
10 including the vendor name, payment date, payment amount, and
11 payment description.

12 (d) The number of active department employees by job
13 classification.

14 (e) Job specifications and wage rates.

15 Sec. 212. Within 14 days after the release of the executive
16 budget recommendation, the department shall cooperate with the
17 state budget office to provide the senate and house appropriations
18 chairs, the senate and house appropriations subcommittee chairs,
19 and the senate and house fiscal agencies with an annual report on
20 estimated state restricted fund balances, state restricted fund
21 projected revenues, and state restricted fund expenditures for the
22 fiscal years ending September 30, 2016 and September 30, 2017.

23 Sec. 213. The department shall maintain, on a publicly
24 accessible website, a department scorecard that identifies, tracks,
25 and regularly updates key metrics that are used to monitor and
26 improve the agency's performance.

27 Sec. 214. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2017 are \$33,238,200.00. From this amount, total agency
3 appropriations for pension-related legacy costs are estimated at
4 \$18,429,800.00. Total agency appropriations for retiree health care
5 legacy costs are estimated at \$14,808,400.00.

6 Sec. 216. (1) The department shall report all of the following
7 information relative to allocations made from appropriations for
8 the environmental cleanup and redevelopment program, state cleanup,
9 emergency actions, superfund cleanup, the revitalization revolving
10 loan program, the brownfield grants and loans program, the leaking
11 underground storage tank cleanup program, the contaminated lake and
12 river sediments cleanup program, the refined petroleum product
13 cleanup program, and the environmental protection bond projects
14 under section 19508(7) of the natural resources and environmental
15 protection act, 1994 PA 451, MCL 324.19508, to the state budget
16 director, the senate and house appropriations subcommittees on
17 environmental quality, and the senate and house fiscal agencies:

18 (a) The name and location of the site for which an allocation
19 is made.

20 (b) The nature of the problem encountered at the site.

21 (c) A brief description of how the problem will be resolved if
22 the allocation is made for a response activity.

23 (d) The estimated date that site closure activities will be
24 completed.

25 (e) The amount of the allocation, or the anticipated financing
26 for the site.

27 (f) A summary of the sites and the total amount of funds

1 expended at the sites at the conclusion of the fiscal year.

2 (g) The number of brownfield projects that were successfully
3 redeveloped.

4 (2) The report prepared under subsection (1) shall also
5 include all of the following:

6 (a) The status of all state-owned facilities that are on the
7 list compiled under part 201 of the natural resources and
8 environmental protection act, 1994 PA 451, MCL 324.20101 to
9 324.20142.

10 (b) The report shall include the total amount of funds
11 expended during the fiscal year and the total amount of funds
12 awaiting expenditure.

13 (c) The total amount of bonds issued for the environmental
14 protection bond program pursuant to part 193 of the natural
15 resources and environmental protection act, 1994 PA 451, MCL
16 324.19301 to 324.19306, and bonds issued pursuant to the clean
17 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

18 (3) The report shall be made available by March 31 of each
19 year.

20 Sec. 217. (1) The department may expend amounts remaining from
21 the current and prior fiscal year appropriations to meet funding
22 needs of legislatively approved sites for the environmental cleanup
23 and redevelopment program, the refined petroleum product cleanup
24 program, brownfield grants and loans, waterfront grants, and the
25 environmental bond site reclamation program.

26 (2) Unexpended and unencumbered amounts remaining from
27 appropriations from the environmental protection bond fund

1 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
2 2012 PA 236 are appropriated for expenditure for any site listed in
3 this part and part 1 and any site listed in the public acts
4 referenced in this section.

5 (3) Unexpended and unencumbered amounts remaining from
6 appropriations from the clean Michigan initiative fund - response
7 activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006
8 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, and 2015
9 PA 84 are appropriated for expenditure for any site listed in this
10 part and part 1 and any site listed in the public acts referenced
11 in this section.

12 (4) Unexpended and unencumbered amounts remaining from
13 appropriations from the refined petroleum fund activities contained
14 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,
15 2012 PA 200, 2013 PA 59, 2014 PA 252, and 2015 PA 84 are
16 appropriated for expenditure for any site listed in this part and
17 part 1 and any site listed in the public acts referenced in this
18 section.

19 (5) Unexpended and unencumbered amounts remaining from the
20 appropriations from the strategic water quality initiatives fund
21 contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014
22 PA 252, and 2015 PA 84 are appropriated for expenditure for any
23 site listed in this part and part 1 and any site listed in the
24 public acts referenced in this section.

25 Sec. 219. Unexpended settlement revenues at the end of the
26 fiscal year may be carried forward into the settlement fund in the
27 succeeding fiscal year up to a maximum carryforward of

1 \$2,500,000.00.

2 Sec. 220. The department shall not take disciplinary action
3 against an employee for communicating with a member of the
4 legislature or his or her staff.

5 Sec. 221. (1) Funds appropriated in part 1 shall not be used
6 by the department to promulgate a rule that will apply to a small
7 business and that will have a disproportionate economic impact on
8 small businesses because of the size of those businesses if the
9 department fails to reduce the disproportionate economic impact of
10 the rule on small businesses as provided under section 40 of the
11 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

12 (2) As used in this section:

13 (a) "Rule" means that term as defined under section 7 of the
14 administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

15 (b) "Small business" means that term as defined under section
16 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
17 24.207a.

18 Sec. 235. The department shall prepare an annual report to the
19 legislature that details all of the following for each of the
20 allocations from the clean Michigan initiative bond fund as
21 described in section 19607(1)(a) to (i) of the natural resources
22 and environmental protection act, 1994 PA 451, MCL 324.19607:

23 (a) The progress of projects funded in each category.

24 (b) The current cost to date of all projects funded in each
25 category.

26 (c) The estimated remaining cost of all projects funded in
27 each category.

(d) The remaining balance of money in the fund allocated for each category.

REMEDICATION DIVISION

Sec. 301. Revenues remaining in the interdepartmental transfers, laboratory services at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 302. The unexpended funds appropriated in part 1 for emergency cleanup actions, the environmental cleanup and redevelopment program, and the refined petroleum product cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.

(b) The projects will be accomplished by contract.

(c) The total estimated cost of all projects is identified in each line-item appropriation.

(d) The tentative completion date is September 30, 2021.

Sec. 303. Effective October 1, 2016, surplus funds not to exceed \$1,000,000.00 in the cleanup and redevelopment trust fund are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 304. Effective October 1, 2016, surplus funds not to

exceed \$1,000,000.00 in the community pollution prevention fund created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 305. It is the intent of the legislature to repay the refined petroleum fund for the \$70,000,000.00 that was transferred to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a, as part of the resolution for the fiscal year 2006-2007 budget.

Sec. 306. (1) The funds appropriated in part 1 for the refined petroleum product cleanup program shall be used to fund cleanup activities on the following sites:

Site Name	County
Long Lake Super Market	Alpena
Geyer Motor Sales	Cheboygan
Procter Gamble	Cheboygan
501 Leonard	Kent
1603 Diamond	Kent
Blanchard Grocery	Montcalm
Mark & Penny Case	Branch
Clark Service Station #1027	Kalamazoo
Action Auto #4	Genesee
Linden Multi-site Contamination	Genesee
13169 Northline Road	Wayne

(2) The department shall provide a report to the legislature

1 on the amount actually spent at each site listed in subsection (1)
2 and give a detailed account of the work actually performed at each
3 site.

4 Sec. 310. (1) Upon approval by the state budget director, the
5 department may expend from the general fund of the state an amount
6 to meet the cash-flow requirements of projects funded under any of
7 the following that are financed from bond proceeds and for which
8 bonds have been authorized but not yet issued:

9 (a) Part 52 of the natural resources and environmental
10 protection act, 1994 PA 451, MCL 324.5201 to 324.5206.

11 (b) Part 193 of the natural resources and environmental
12 protection act, 1994 PA 451, MCL 324.19301 to 324.19306.

13 (c) Part 196 of the natural resources and environmental
14 protection act, 1994 PA 451, MCL 324.19601 to 324.19616.

15 (2) Upon the sale of bonds for projects described in
16 subsection (1), the department shall credit the general fund of the
17 state an amount equal to that expended from the general fund.

18 Sec. 312. From funds appropriated in part 1, the department
19 shall do both of the following:

20 (a) Conduct a study on the effects of long-term exposure to
21 perfluorinated compounds.

22 (b) Conduct a workgroup to establish cleanup criteria for
23 perfluorinated compounds under part 201 of the natural resources
24 and environmental protection act, 1994 PA 451, MCL 324.20101 to
25 324.20142.

26 **WATER RESOURCES DIVISION**

1 Sec. 402. From the funds appropriated in part 1 for the water
2 quality and use initiative/general line item, the department shall
3 update a report detailing a comprehensive plan for the use of the
4 water quality and use initiative funding appropriated in part 1 and
5 identifying the amount of expenditures for specific programs made
6 from the water quality and use initiative/general line item, the
7 real-time beach monitoring program line item, and the wetlands
8 program line item. The report shall be submitted to the
9 chairpersons of the senate and house of representatives
10 appropriations subcommittees on environmental quality and the
11 senate and house fiscal agencies by September 30, 2017.

12 Sec. 405. If a certified health department does not exist in a
13 city, county, or district or does not fulfill its responsibilities
14 under part 117 of the natural resources and environmental
15 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
16 department may spend funds appropriated in part 1 under the septage
17 waste compliance program in accordance with section 11716 of the
18 natural resources and environmental protection act, 1994 PA 451,
19 MCL 324.11716.

20 Sec. 407. The unexpended funds appropriated in part 1 for the
21 contaminated lake and river sediment cleanup program are considered
22 work project appropriations and any unencumbered or unallotted
23 funds are carried forward into the succeeding fiscal year. The
24 following is in compliance with section 451a(1) of the management
25 and budget act, 1984 PA 431, MCL 18.1451a:

26 (a) The purpose of the projects to be carried forward is to
27 provide contaminated sediment cleanup.

1 (b) The projects will be accomplished by contract.

2 (c) The total estimated cost of all projects is \$2,265,000.

3 (d) The tentative completion date is September 30, 2021.

4 Sec. 410. From the funds appropriated in part 1, the
5 department shall compile a report on the status of the
6 implementation plan for the western Lake Erie basin collaborative
7 agreement. The department shall submit the report to the house and
8 senate appropriations subcommittees on environmental quality and
9 the house and senate fiscal agencies by March 1.

10 **RESOURCE MANAGEMENT DIVISION**

11 Sec. 603. From the funds appropriated in part 1, by December
12 31, 2016, the department shall compile and make available to the
13 public on a publicly accessible website a report containing a
14 summary document of each completed asset management plan for any
15 stormwater, asset management, or wastewater grant awarded to a
16 local unit of government to fund the development of a plan. As a
17 condition of receiving a stormwater, asset management, or
18 wastewater grant, a local unit of government shall make its asset
19 management plan available to the department upon request when
20 completed and shall retain copies of the plan that can be made
21 available to the public for a minimum of 15 years. The department
22 shall make available a summary document of each plan on a publicly
23 accessible website by September 30 of the year it was completed.
24 The summary document shall include a summary of the plan and
25 contact information for the local unit of government.

UNDERGROUND STORAGE TANK AUTHORITY

Sec. 701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.

(b) The projects will be accomplished by contract.

(c) The total estimated cost of all projects is \$20,000,000.00.

(d) The tentative completion date is September 30, 2021.

ONE-TIME APPROPRIATIONS

Sec. 801. From the funds appropriated in part 1 for drinking water declaration of emergency, the department shall allocate funds to address the following in a city in which a declaration of emergency was issued because of drinking water contamination:

(a) Funding to change the source of water serving the distressed community's public water supply to an alternative reliable source of water.

(b) Staff, lab and testing, and contract costs.

Sec. 803. The department shall provide a report detailing the expenditure of departmental funds appropriated in 2015 PA 143 and 2016 PA 3. The report shall include the following:

(a) The names and locations of entities receiving funds.

1 (b) The purpose for each expenditure.

2 (c) The status of programs supported by this funding.

3 (d) A brief description of how related problems have been or
4 will be resolved if expenditures are made for immediate response.

5 (e) The job titles and number of departmental FTEs engaged in
6 the Flint declaration of emergency response effort.

7 ARTICLE VIII

8 GENERAL GOVERNMENT

9 PART 1

10 LINE-ITEM APPROPRIATIONS

11 Sec. 101. There is appropriated for the legislature, the
12 executive, the department of attorney general, the department of
13 state, the department of treasury, the department of technology,
14 management, and budget, the department of civil rights, the
15 department of talent and economic development, and certain state
16 purposes related thereto for the fiscal year ending September 30,
17 2017, from the following funds:

18 **TOTAL GENERAL GOVERNMENT**

19 APPROPRIATION SUMMARY

20 Full-time equated unclassified positions..... 50.0

21 Full-time equated classified positions..... 8,709.7

22 GROSS APPROPRIATION..... \$ 4,869,270,600

23 Interdepartmental grant revenues:

24 Total interdepartmental grants and intradepartmental

25 transfers 760,158,300

1	ADJUSTED GROSS APPROPRIATION.....	\$ 4,109,112,300
2	Federal revenues:	
3	Total federal revenues.....	826,723,500
4	Special revenue funds:	
5	Total local revenues.....	12,021,000
6	Total private revenues.....	6,064,500
7	Total other state restricted revenues.....	2,126,990,600
8	State general fund/general purpose.....	\$ 1,137,312,700
9	Sec. 102. DEPARTMENT OF ATTORNEY GENERAL	
10	(1) APPROPRIATION SUMMARY	
11	Full-time equated unclassified positions.....	6.0
12	Full-time equated classified positions.....	527.0
13	GROSS APPROPRIATION.....	\$ 101,485,800
14	Interdepartmental grant revenues:	
15	Total interdepartmental grants and intradepartmental	
16	transfers	28,989,700
17	ADJUSTED GROSS APPROPRIATION.....	\$ 72,496,100
18	Federal revenues:	
19	Total federal revenues.....	9,476,700
20	Special revenue funds:	
21	Total local revenues.....	0
22	Total private revenues.....	0
23	Total other state restricted revenues.....	20,178,900
24	State general fund/general purpose.....	\$ 42,840,500
25	(2) ATTORNEY GENERAL OPERATIONS	
26	Full-time equated unclassified positions.....	6.0

1	Full-time equated classified positions.....	522.5	
2	Attorney general.....	\$	112,500
3	Unclassified positions--5.0 FTE positions.....		754,000
4	Attorney general operations--479.5 FTE positions.....		86,400,000
5	Child support enforcement--25.0 FTE positions.....		3,503,800
6	Prosecuting attorneys coordinating council--12.0 FTE		
7	positions		2,142,600
8	Public safety initiative--1.0 FTE position.....		905,800
9	Sexual assault law enforcement--5.0 FTE positions....		<u>1,713,500</u>
10	GROSS APPROPRIATION.....	\$	95,532,200
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG from MDHHS, health policy.....		206,900
14	IDG from MDHHS, medical services administration.....		691,200
15	IDG from MDHHS, WIC.....		152,500
16	IDG from department of corrections.....		660,300
17	IDG from MDE.....		595,600
18	IDG from MDEQ.....		2,009,000
19	IDG from MDHHS, human services.....		5,932,500
20	IDG from MDIFS, financial and insurance services.....		1,213,000
21	IDG from TED, workforce development agency.....		89,600
22	IDG from MDLARA, fireworks safety fund.....		83,000
23	IDG from MDLARA, health professions.....		3,037,400
24	IDG from MDLARA, licensing and regulation fees.....		335,600
25	IDG from MDLARA, Michigan occupational safety and		
26	health administration		107,700
27	IDG from MDLARA, remonumentation fees.....		106,100

1	IDG from MDLARA, securities fees.....	188,300
2	IDG from MDLARA, unlicensed builders.....	334,700
3	IDG from MDMVA.....	164,900
4	IDG from MDOS, children's protection registry.....	45,000
5	IDG from MDOT, comprehensive transportation fund.....	204,500
6	IDG from MDOT, state aeronautics fund.....	177,600
7	IDG from MDOT, state trunkline fund.....	2,429,200
8	IDG from MDSP.....	257,300
9	IDG from MDTMB.....	463,800
10	IDG from MDTMB, civil service commission.....	305,900
11	IDG from MDTMB, risk management revolving fund.....	1,468,400
12	IDG from Michigan state housing development authority	676,600
13	IDG from treasury.....	6,874,000
14	IDG from TED, Michigan strategic fund.....	179,100
15	Federal revenues:	
16	DAG, state administrative match grant/food stamps	137,000
17	Federal funds.....	3,145,100
18	HHS, medical assistance, medigra nt.....	384,800
19	HHS-OS, state Medicaid fraud control units.....	5,688,600
20	National criminal history improvement program.....	121,200
21	Special revenue funds:	
22	Antitrust enforcement collections.....	762,600
23	Attorney general's operations fund.....	767,000
24	Auto repair facilities fees.....	327,400
25	Franchise fees.....	382,400
26	Game and fish protection fund.....	751,100
27	Human trafficking commission fund.....	390,000

1	Lawsuit settlement proceeds fund.....	2,600,000
2	Liquor purchase revolving fund.....	1,459,200
3	Manufactured housing fees.....	250,600
4	Merit award trust fund.....	495,700
5	Michigan employment security act - administrative fund	2,241,500
6	Prisoner reimbursement.....	625,200
7	Prosecuting attorneys training fees.....	411,500
8	Public utility assessments.....	2,077,300
9	Real estate enforcement fund.....	100,700
10	Reinstatement fees.....	257,700
11	Retirement funds.....	1,042,200
12	Second injury fund.....	821,700
13	Self-insurers security fund.....	571,200
14	Silicosis and dust disease fund.....	225,700
15	State building authority revenue.....	120,900
16	State casino gaming fund.....	1,861,900
17	State lottery fund.....	345,100
18	Utility consumers fund.....	780,800
19	Waterways fund.....	140,000
20	Worker's compensation administrative revolving fund..	369,500
21	State general fund/general purpose.....	\$ 36,886,900
22	(3) INFORMATION TECHNOLOGY	
23	Information technology services and projects.....	\$ <u>1,553,600</u>
24	GROSS APPROPRIATION.....	\$ 1,553,600
25	Appropriated from:	
26	State general fund/general purpose.....	\$ 1,553,600
27	(4) ONE-TIME BASIS ONLY APPROPRIATIONS	

1	Full-time equated classified positions.....	4.5	
2	Prescription drug abuse enforcement--4.5 FTE positions	\$	700,000
3	State defense costs.....		3,000,000
4	Prosecuting attorneys coordinating council juvenile		
5	life without parole cases		<u>700,000</u>
6	GROSS APPROPRIATION.....	\$	4,400,000
7	Appropriated from:		
8	State general fund/general purpose	\$	4,400,000
9	Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
10	(1) APPROPRIATION SUMMARY		
11	Full-time equated unclassified positions.....	6.0	
12	Full-time equated classified positions.....	129.0	
13	GROSS APPROPRIATION.....	\$	16,248,500
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers		293,600
17	ADJUSTED GROSS APPROPRIATION.....	\$	15,954,900
18	Federal revenues:		
19	Total federal revenues.....		2,763,000
20	Special revenue funds:		
21	Total local revenues.....		0
22	Total private revenues.....		18,700
23	Total other state restricted revenues.....		151,900
24	State general fund/general purpose	\$	13,021,300
25	(2) CIVIL RIGHTS OPERATIONS		
26	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions.....	127.0	
2	Unclassified positions--6.0 FTE positions.....		\$ 660,300
3	Civil rights operations--121.0 FTE positions.....		13,831,700
4	Division on deaf and hard of hearing--6.0 FTE		
5	positions		<u>798,600</u>
6	GROSS APPROPRIATION.....		\$ 15,290,600
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG from DTMB.....		293,600
10	Federal revenues:		
11	EEOC, state and local antidiscrimination agency		
12	contracts		1,211,500
13	HUD, grant.....		1,536,500
14	Special revenue funds:		
15	Private revenues.....		18,700
16	Division on deafness fund.....		93,400
17	State restricted indirect funds.....		58,500
18	State general fund/general purpose.....		\$ 12,078,400
19	(3) INFORMATION TECHNOLOGY		
20	Information technology services and projects.....		\$ <u>707,900</u>
21	GROSS APPROPRIATION.....		\$ 707,900
22	Appropriated from:		
23	Federal revenues:		
24	EEOC, state and local antidiscrimination agency		
25	contracts		15,000
26	State general fund/general purpose.....		\$ 692,900
27	(4) ONE-TIME BASIS ONLY APPROPRIATIONS		

1	Full-time equated classified positions.....	2.0	
2	Division on deaf and hard of hearing--2.0 FTE		
3	positions		\$ <u>250,000</u>
4	GROSS APPROPRIATION.....		\$ 250,000
5	Appropriated from:		
6	State general fund/general purpose		\$ 250,000
7	Sec. 104. EXECUTIVE OFFICE		
8	(1) APPROPRIATION SUMMARY		
9	Full-time equated unclassified positions.....	10.0	
10	Full-time equated classified positions.....	74.2	
11	GROSS APPROPRIATION.....		\$ 5,636,300
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		0
15	ADJUSTED GROSS APPROPRIATION.....		\$ 5,636,300
16	Federal revenues:		
17	Total federal revenues.....		0
18	Special revenue funds:		
19	Total local revenues.....		0
20	Total private revenues.....		0
21	Total other state restricted revenues.....		0
22	State general fund/general purpose		\$ 5,636,300
23	(2) EXECUTIVE OFFICE OPERATIONS		
24	Full-time equated unclassified positions.....	10.0	
25	Full-time equated classified positions.....	74.2	
26	Governor.....		\$ 159,300

1	Lieutenant governor.....	111,600
2	Executive office--74.2 FTE positions.....	4,108,100
3	Unclassified positions--8.0 FTE positions.....	<u>1,257,300</u>
4	GROSS APPROPRIATION.....	\$ 5,636,300
5	Appropriated from:	
6	State general fund/general purpose.....	\$ 5,636,300
7	Sec. 105. LEGISLATURE	
8	(1) APPROPRIATION SUMMARY	
9	GROSS APPROPRIATION.....	\$ 165,555,500
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers	5,558,600
13	ADJUSTED GROSS APPROPRIATION.....	\$ 159,996,900
14	Federal revenues:	
15	Total federal revenues.....	0
16	Special revenue funds:	
17	Total local revenues.....	0
18	Total private revenues.....	400,000
19	Total other state restricted revenues.....	6,245,200
20	State general fund/general purpose.....	\$ 153,351,700
21	(2) LEGISLATURE	
22	Senate.....	\$ 34,523,700
23	Senate automated data processing.....	2,500,000
24	Senate fiscal agency.....	3,779,600
25	House of representatives.....	53,095,900

1	House automated data processing.....	2,200,000
2	House fiscal agency.....	<u>3,779,600</u>
3	GROSS APPROPRIATION.....	\$ 99,878,800
4	Appropriated from:	
5	State general fund/general purpose.....	\$ 99,878,800
6	(3) LEGISLATIVE COUNCIL	
7	Legislative council.....	\$ 11,981,200
8	Legislative service bureau automated data processing .	1,426,600
9	Worker's compensation.....	151,400
10	National association dues.....	454,700
11	Legislative corrections ombudsman.....	729,200
12	Michigan veterans facility ombudsman.....	<u>150,000</u>
13	GROSS APPROPRIATION.....	\$ 14,893,100
14	Appropriated from:	
15	Special revenue funds:	
16	Private - gifts and bequests revenues.....	400,000
17	State general fund/general purpose.....	\$ 14,493,100
18	(4) LEGISLATIVE RETIREMENT SYSTEM	
19	General nonretirement expenses.....	\$ <u>4,962,800</u>
20	GROSS APPROPRIATION.....	\$ 4,962,800
21	Appropriated from:	
22	Special revenue funds:	
23	Court fees.....	1,154,600
24	State general fund/general purpose.....	\$ 3,808,200
25	(5) PROPERTY MANAGEMENT	
26	Cora Anderson Building.....	\$ 11,426,700
27	Farnum Building and other properties.....	<u>2,851,800</u>

1	GROSS APPROPRIATION.....	\$	14,278,500
2	Appropriated from:		
3	State general fund/general purpose.....	\$	14,278,500
4	(6) STATE CAPITOL HISTORIC SITE		
5	General operations.....	\$	4,269,200
6	Restoration, renewal, and maintenance.....		<u>3,121,200</u>
7	GROSS APPROPRIATION.....	\$	7,390,400
8	Appropriated from:		
9	Special revenue funds:		
10	Capitol historic site fund.....		3,121,200
11	State general fund/general purpose.....	\$	4,269,200
12	(7) OFFICE OF THE AUDITOR GENERAL		
13	Unclassified positions.....	\$	329,400
14	Field operations.....		<u>23,322,500</u>
15	GROSS APPROPRIATION.....	\$	23,651,900
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG from MDHHS, human services.....		30,600
19	IDG from MDLARA, liquor purchase revolving fund.....		28,700
20	IDG from MDOT, comprehensive transportation fund.....		39,000
21	IDG from MDOT, Michigan transportation fund.....		315,800
22	IDG from MDOT, state aeronautics fund.....		30,300
23	IDG from MDOT, state trunkline fund.....		733,500
24	IDG, legislative retirement system.....		29,200
25	IDG, single audit act.....		2,913,100
26	IDG, commercial mobile radio system emergency		
27	telephone fund		36,800

1	IDG, contract audit administration fees	41,400
2	IDG, deferred compensation funds	54,400
3	IDG, Michigan finance authority	330,800
4	IDG, Michigan economic development corporation	96,300
5	IDG, Michigan education trust fund	70,800
6	IDG, Michigan justice training commission fund	40,900
7	IDG, Michigan strategic fund	169,100
8	IDG, office of retirement services	218,400
9	IDG, other restricted funding sources	379,500
10	Special revenue funds:	
11	21st century jobs trust fund	96,300
12	Brownfield development fund	28,100
13	Clean Michigan initiative implementation bond fund ...	54,500
14	Game and fish protection fund	31,300
15	MDTMB, civil service commission	166,200
16	Michigan state housing development authority fees	113,500
17	Michigan veterans' trust fund	35,500
18	Motor transport revolving fund	7,400
19	Office services revolving fund	10,000
20	State disbursement unit, office of child support	57,400
21	State services fee fund	1,357,900
22	Waterways fund	11,300
23	State general fund/general purpose	\$ 16,123,900
24	(8) ONE-TIME BASIS ONLY APPROPRIATIONS	
25	Criminal justice policy commission study	\$ <u>500,000</u>
26	GROSS APPROPRIATION	\$ 500,000
27	Appropriated from:	

1	State general fund/general purpose	\$	500,000
2	Sec. 106. DEPARTMENT OF STATE		
3	(1) APPROPRIATION SUMMARY		
4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	1,587.0	
6	GROSS APPROPRIATION.....	\$	248,015,600
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		20,000,000
10	ADJUSTED GROSS APPROPRIATION.....	\$	228,015,600
11	Federal revenues:		
12	Total federal revenues.....		1,460,000
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		100
16	Total other state restricted revenues.....		204,445,900
17	State general fund/general purpose	\$	22,109,600
18	(2) EXECUTIVE DIRECTION		
19	Full-time equated unclassified positions.....	6.0	
20	Full-time equated classified positions.....	30.0	
21	Secretary of state.....	\$	112,500
22	Unclassified positions--5.0 FTE positions		628,800
23	Operations--30.0 FTE positions.....		<u>4,567,200</u>
24	GROSS APPROPRIATION.....	\$	5,308,500
25	Appropriated from:		
26	Special revenue funds:		

1	Auto repair facilities fees.....	68,700
2	Children's protection registry fund.....	270,700
3	Driver fees.....	276,000
4	Enhanced driver license and enhanced official state	
5	personal identification card fund.....	216,700
6	Expedient service fees.....	66,300
7	Parking ticket court fines.....	9,200
8	Personal identification card fees.....	32,300
9	Reinstatement fees - operator licenses.....	248,900
10	Transportation administration collection fund.....	2,499,800
11	Vehicle theft prevention fees.....	40,400
12	State general fund/general purpose.....	\$ 1,579,500
13	(3) DEPARTMENT SERVICES	
14	Full-time equated classified positions.....	117.0
15	Operations--117.0 FTE positions.....	\$ <u>25,315,100</u>
16	GROSS APPROPRIATION.....	\$ 25,315,100
17	Appropriated from:	
18	Special revenue funds:	
19	Abandoned vehicle fees.....	481,100
20	Driver fees.....	731,000
21	Driver improvement course fund.....	308,600
22	Enhanced driver license and enhanced official state	
23	personal identification card fund.....	329,400
24	Expedient service fees.....	273,600
25	Marine safety fund.....	85,200
26	Personal identification card fees.....	193,700
27	Reinstatement fees - operator licenses.....	537,700

1	Scrap tire fund.....	78,100
2	Transportation administration collection fund.....	21,714,300
3	State general fund/general purpose.....	\$ 582,400
4	(4) LEGAL SERVICES	
5	Full-time equated classified positions.....	83.0
6	Operations--83.0 FTE positions.....	\$ <u>14,501,500</u>
7	GROSS APPROPRIATION.....	\$ 14,501,500
8	Appropriated from:	
9	Special revenue funds:	
10	Auto repair facilities fees.....	3,363,800
11	Driver education provider and instructor fund.....	25,400
12	Driver fees.....	2,193,800
13	Driver responsibility fees.....	1,000,000
14	Enhanced driver license and enhanced official state	
15	personal identification card fund.....	504,900
16	Personal identification card fees.....	61,700
17	Reinstatement fees - operator licenses.....	1,463,900
18	Transportation administration collection fund.....	4,311,100
19	Vehicle theft prevention fees.....	1,092,600
20	State general fund/general purpose.....	\$ 484,300
21	(5) CUSTOMER DELIVERY SERVICES	
22	Full-time equated classified positions.....	1,312.0
23	Branch operations--922.0 FTE positions.....	\$ 85,709,100
24	Central operations--388.0 FTE positions.....	50,115,300
25	Motorcycle safety education administration--2.0 FTE	
26	positions	335,500
27	Motorcycle safety education grants.....	1,800,000

1	Credit and debit assessment services.....	6,000,000
2	Organ donor program.....	<u>129,100</u>
3	GROSS APPROPRIATION.....	\$ 144,089,000
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from MDOT, Michigan transportation fund.....	20,000,000
7	Federal revenues:	
8	Federal funds.....	1,460,000
9	Special revenue funds:	
10	Private funds.....	100
11	Abandoned vehicle fees.....	204,500
12	Auto repair facilities fees.....	910,400
13	Child support clearance fees.....	363,600
14	Credit and debit assessment service fee revenue.....	6,000,000
15	Driver education provider and instructor fund.....	49,600
16	Driver fees.....	25,355,100
17	Driver improvement course fund.....	1,246,200
18	Enhanced driver license and enhanced official state	
19	personal identification card fund.....	9,021,200
20	Expedient service fees.....	2,603,600
21	Marine safety fund.....	1,420,400
22	Michigan state police auto theft fund.....	123,700
23	Mobile home commission fees.....	507,500
24	Motorcycle safety fund.....	1,835,500
25	Off-road vehicle title fees.....	170,400
26	Parking ticket court fines.....	1,629,800
27	Personal identification card fees.....	2,319,700

1	Recreation passport fee revenue.....	1,000,000
2	Reinstatement fees - operator licenses.....	2,358,000
3	Snowmobile registration fee revenue.....	390,000
4	Thomas Daley gift of life fund.....	50,000
5	Transportation administration collection fund.....	60,920,300
6	Vehicle theft prevention fees.....	742,200
7	State general fund/general purpose.....	\$ 3,407,200
8	(6) ELECTION REGULATION	
9	Full-time equated classified positions.....	45.0
10	Election administration and services--45.0 FTE	
11	positions	\$ 7,169,100
12	County clerk education and training fund.....	100,000
13	Fees to local units.....	<u>109,800</u>
14	GROSS APPROPRIATION.....	\$ 7,378,900
15	Appropriated from:	
16	Special revenue funds:	
17	Notary education and training fund.....	100,000
18	Notary fee fund.....	343,500
19	State general fund/general purpose.....	\$ 6,935,400
20	(7) DEPARTMENTWIDE APPROPRIATIONS	
21	Building occupancy charges/rent.....	\$ 9,792,000
22	Worker's compensation.....	<u>254,400</u>
23	GROSS APPROPRIATION.....	\$ 10,046,400
24	Appropriated from:	
25	Special revenue funds:	
26	Auto repair facilities fees.....	133,200
27	Driver fees.....	708,800

1	Enhanced driver license and enhanced official state	
2	personal identification card fund.....	326,000
3	Parking ticket court fines.....	441,500
4	Transportation administration collection fund.....	5,904,200
5	State general fund/general purpose.....	\$ 2,532,700
6	(8) INFORMATION TECHNOLOGY	
7	Information technology services and projects.....	\$ <u>36,376,200</u>
8	GROSS APPROPRIATION.....	\$ 36,376,200
9	Appropriated from:	
10	Special revenue funds:	
11	Administrative order processing fee.....	11,700
12	Auto repair facilities fees.....	129,300
13	Driver fees.....	787,400
14	Enhanced driver license and enhanced official state	
15	personal identification card fund.....	327,500
16	Expedient service fees.....	1,085,100
17	Parking ticket court fines.....	89,000
18	Personal identification card fees.....	173,300
19	Reinstatement fees - operator licenses.....	592,300
20	Transportation administration collection fund.....	31,411,500
21	Vehicle theft prevention fees.....	181,000
22	State general fund/general purpose.....	\$ 1,588,100
23	(9) ONE-TIME BASIS ONLY APPROPRIATIONS	
24	Election administration and services.....	\$ <u>5,000,000</u>
25	GROSS APPROPRIATION.....	\$ 5,000,000
26	Appropriated from:	
27	State general fund/general purpose.....	\$ 5,000,000

**Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND
BUDGET**

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 2,877.0

GROSS APPROPRIATION..... \$ 1,301,191,700

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 694,054,100

ADJUSTED GROSS APPROPRIATION..... \$ 607,137,600

Federal revenues:

Total federal revenues..... 4,958,200

Special revenue funds:

Total local revenues..... 2,320,000

Total private revenues..... 0

Total other state restricted revenues..... 114,340,800

State general fund/general purpose..... \$ 485,518,600

(2) EXECUTIVE DIRECTION

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 12.0

Unclassified positions--6.0 FTE positions..... \$ 1,001,400

Executive operations--12.0 FTE positions..... 2,376,000

GROSS APPROPRIATION..... \$ 3,377,400

Appropriated from:

Interdepartmental grant revenues:

IDG from building occupancy and parking charges 249,700

IDG from technology user fees..... 2,074,400

1	Special revenue funds:		
2	Special revenue, internal service, and pension trust		
3	funds		289,200
4	State general fund/general purpose	\$	764,100
5	(3) DEPARTMENT SERVICES		
6	Full-time equated classified positions.....	730.5	
7	Administrative services--123.5 FTE positions	\$	15,974,800
8	Budget and financial management--160.0 FTE positions .		23,073,200
9	Office of the state employer--23.0 FTE positions		3,417,300
10	Design and construction services--40.0 FTE positions .		6,477,000
11	Business support services--97.0 FTE positions		11,469,600
12	Building operation services--210.0 FTE positions		92,416,200
13	Building occupancy charges, rent, and utilities		7,494,200
14	Motor vehicle fleet--35.0 FTE positions		74,260,100
15	Information technology services and projects		32,630,500
16	Bureau of labor market information and strategies--		
17	42.0 FTE positions		<u>5,475,100</u>
18	GROSS APPROPRIATION	\$	272,688,000
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from accounting service centers user charges		2,698,000
22	IDG from building occupancy and parking charges		94,647,900
23	IDG from MDHHS, community health		484,500
24	IDG from MDHHS, human services		215,400
25	IDG from MDLARA		100,000
26	IDG from motor transport fund		74,260,100
27	IDG from technology user fees		7,658,600

1	IDG from user fees.....	6,754,000
2	Federal revenues:	
3	Federal funds.....	4,958,200
4	Special revenue funds:	
5	Local - MPSCS subscriber and maintenance fees.....	61,700
6	Local revenues.....	35,000
7	Deferred compensation.....	2,600
8	Health management funds.....	2,257,200
9	MAIN user charges.....	4,337,600
10	Other agency charges.....	1,178,700
11	Pension trust funds.....	10,082,000
12	Special revenue, internal service, and pension trust	
13	funds	17,168,300
14	State restricted indirect funds.....	3,392,200
15	State general fund/general purpose.....	\$ 42,396,000
16	(4) TECHNOLOGY SERVICES	
17	Full-time equated classified positions.....	1,487.5
18	Education services--29.0 FTE positions.....	\$ 4,106,500
19	Health and human services--617.5 FTE positions.....	291,972,300
20	Public protection--154.5 FTE positions.....	55,832,600
21	Resources services--146.5 FTE positions.....	20,283,500
22	Transportation services--89.5 FTE positions.....	31,739,300
23	General services--331.5 FTE positions.....	98,027,300
24	Enterprisewide information technology investment	
25	projects	9,500,000
26	General government and public safety information	
27	technology investment projects.....	18,000,000

1	MAIN system replacement information technology	
2	investment project	35,500,000
3	Cyber security information technology investment	
4	project	2,000,000
5	Homeland security initiative/cyber security--13.0 FTE	
6	positions	13,118,200
7	Michigan public safety communication system--100.0 FTE	
8	positions	40,094,800
9	Enterprise identity management--6.0 FTE positions	<u>6,700,000</u>
10	GROSS APPROPRIATION.....	\$ 626,874,500
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from technology user fees.....	501,961,500
14	Special revenue funds:	
15	Local - MPSCS subscriber and maintenance fees	2,223,300
16	State general fund/general purpose.....	\$ 122,689,700
17	(5) STATEWIDE APPROPRIATIONS	
18	Professional development fund - NERE.....	\$ 250,000
19	Professional development fund - UAW.....	<u>700,000</u>
20	GROSS APPROPRIATION.....	\$ 950,000
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from employer contributions.....	950,000
24	State general fund/general purpose.....	\$ 0
25	(6) SPECIAL PROGRAMS	
26	Full-time equated classified positions..... 197.0	
27	Building occupancy charges - property management	

1	services for executive/legislative building		
2	occupancy	\$	1,154,500
3	Retirement services--167.0 FTE positions		28,724,900
4	Office of children's ombudsman--14.0 FTE positions ...		1,801,600
5	Office of urban initiatives--5.0 FTE positions		1,012,200
6	School reform office operations--11.0 FTE positions ..		2,318,300
7	Public private partnership		1,500,000
8	Regional prosperity grants		<u>2,500,000</u>
9	GROSS APPROPRIATION	\$	39,011,500
10	Appropriated from:		
11	Special revenue funds:		
12	Deferred compensation		2,800,000
13	Pension trust funds		20,548,100
14	Public private partnership investment fund		1,500,000
15	State general fund/general purpose	\$	14,163,400
16	(7) STATE BUILDING AUTHORITY RENT		
17	State building authority rent - state agencies	\$	49,665,800
18	State building authority rent - department of		
19	corrections		21,029,900
20	State building authority rent - universities		144,995,300
21	State building authority rent - community colleges ...		<u>30,879,600</u>
22	GROSS APPROPRIATION	\$	246,570,600
23	Appropriated from:		
24	State general fund/general purpose	\$	246,570,600
25	(8) CIVIL SERVICE COMMISSION		
26	Full-time equated classified positions	450.0	
27	Agency services--74.0 FTE positions	\$	13,103,100

1	Executive direction--40.0 FTE positions	8,894,300
2	Employee benefits--16.0 FTE positions	5,704,000
3	Human resources operations--320.0 FTE positions	38,463,100
4	Information technology services and projects	<u>3,354,300</u>
5	GROSS APPROPRIATION.....	\$ 69,518,800
6	Appropriated from:	
7	Special revenue funds:	
8	State restricted funds 1%	30,702,500
9	State restricted indirect funds	8,592,200
10	State sponsored group insurance	8,640,200
11	State general fund/general purpose	\$ 21,583,900
12	(9) CAPITAL OUTLAY	
13	Major special maintenance, remodeling, and addition	
14	for state agencies	\$ 2,000,000
15	Enterprisewide special maintenance for state	
16	facilities	<u>26,000,000</u>
17	GROSS APPROPRIATION.....	\$ 28,000,000
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from building occupancy charges	2,000,000
21	State general fund/general purpose	\$ 26,000,000
22	(10) ONE-TIME BASIS ONLY APPROPRIATIONS	
23	Information technology investment fund	
24	one-time augmentation	\$ 4,500,000
25	Enterprisewide special maintenance for state	
26	facilities	1,600,900
27	Office of retirement services information technology	

1	modernization and enterprise mandates.....	2,850,000
2	Legal services.....	5,000,000
3	Special projects.....	<u>250,000</u>
4	GROSS APPROPRIATION.....	\$ 14,200,900
5	Appropriated from:	
6	Special revenue funds:	
7	Pension trust funds.....	2,850,000
8	State general fund/general purpose.....	\$ 11,350,900
9	Sec. 108. DEPARTMENT OF TREASURY	
10	(1) APPROPRIATION SUMMARY	
11	Full-time equated unclassified positions.....	10.0
12	Full-time equated classified positions.....	1,906.5
13	GROSS APPROPRIATION.....	\$ 1,885,142,900
14	Interdepartmental grant revenues:	
15	Total interdepartmental grants and intradepartmental	
16	transfers	11,262,300
17	ADJUSTED GROSS APPROPRIATION.....	\$ 1,873,880,600
18	Federal revenues:	
19	Total federal revenues.....	39,920,800
20	Special revenue funds:	
21	Total local revenues.....	9,201,000
22	Total private revenues.....	26,700
23	Total other state restricted revenues.....	1,589,286,300
24	State general fund/general purpose.....	\$ 235,445,800
25	(2) EXECUTIVE DIRECTION	
26	Full-time equated unclassified positions.....	10.0

1	Full-time equated classified positions.....	52.0	
2	Unclassified positions--10.0 FTE positions.....		\$ 995,500
3	Executive direction and operations--52.0 FTE positions		<u>9,328,400</u>
4	GROSS APPROPRIATION.....		\$ 10,323,900
5	Appropriated from:		
6	Federal revenues:		
7	DED-OPSE, federal lenders allowance.....		20,000
8	DED-OPSE, higher education act of 1965 insured loans .		45,000
9	Special revenue funds:		
10	Local - city income tax fund.....		101,900
11	Delinquent tax collection revenue.....		2,159,800
12	State lottery fund.....		288,700
13	State services fee fund.....		328,200
14	State general fund/general purpose.....		\$ 7,380,300
15	(3) DEPARTMENTWIDE APPROPRIATIONS		
16	Rent and building occupancy charges - property		
17	management services		\$ 6,047,400
18	Worker's compensation insurance premium.....		<u>36,400</u>
19	GROSS APPROPRIATION.....		\$ 6,083,800
20	Appropriated from:		
21	Special revenue funds:		
22	Delinquent tax collection revenue.....		2,890,600
23	State general fund/general purpose.....		\$ 3,193,200
24	(4) LOCAL GOVERNMENT PROGRAMS		
25	Full-time equated classified positions.....	111.0	
26	Supervision of the general property tax law--86.0 FTE		
27	positions		\$ 14,590,200

1	Property tax assessor training--4.0 FTE positions	1,040,400
2	Local finance--21.0 FTE positions	<u>2,607,000</u>
3	GROSS APPROPRIATION.....	\$ 18,237,600
4	Appropriated from:	
5	Special revenue funds:	
6	Local - assessor training fees	1,040,400
7	Local - audit charges	825,800
8	Local - equalization study chargebacks	40,000
9	Local - revenue from local government	100,000
10	Land reutilization fund	2,044,000
11	Municipal finance fees	544,900
12	Delinquent tax collection revenue	1,514,700
13	State general fund/general purpose	\$ 12,127,800
14	(5) TAX PROGRAMS	
15	Full-time equated classified positions..... 774.0	
16	Tax compliance--340.0 FTE positions	\$ 45,075,300
17	Tax and economic policy--75.0 FTE positions	11,570,600
18	Tax processing--331.0 FTE positions	37,376,900
19	Health insurance claims fund program--15.0 FTE	
20	positions	2,070,500
21	Home heating assistance	3,086,200
22	Bottle act implementation	250,000
23	Tobacco tax enforcement--13.0 FTE positions	<u>1,509,100</u>
24	GROSS APPROPRIATION.....	\$ 100,938,600
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from MDOT, Michigan transportation fund	2,284,100

1	IDG from MDOT, state aeronautics fund.....		72,200
2	Federal revenues:		
3	HHS-SSA, low-income energy assistance.....		3,086,200
4	Special revenue funds:		
5	Bottle deposit fund.....		250,000
6	Delinquent tax collection revenue.....		70,557,200
7	Emergency 911 fund.....		158,700
8	Health insurance claims fund.....		2,070,500
9	Tobacco tax revenue.....		4,109,300
10	Waterways fund.....		107,100
11	State general fund/general purpose.....	\$	18,243,300
12	(6) FINANCIAL AND ADMINISTRATIVE SERVICES		
13	Full-time equated classified positions.....	381.0	
14	Departmental services--88.0 FTE positions.....	\$	9,180,500
15	Unclaimed property--29.0 FTE positions.....		4,835,300
16	Office of collections--202.0 FTE positions.....		26,255,100
17	Office of accounting services--24.0 FTE positions....		2,491,400
18	Office of financial services--38.0 FTE positions.....		<u>4,478,500</u>
19	GROSS APPROPRIATION.....	\$	47,240,800
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG, levy/warrant cost assessment fees.....		2,335,000
23	IDG, state agency collection fees.....		4,353,400
24	IDG from MDHHS, title IV-D.....		776,000
25	IDG data/collection service fees.....		336,600
26	IDG from accounting service center user charges.....		494,500
27	Special revenue funds:		

1	Delinquent tax collection revenue.....		27,387,100
2	Escheats revenue.....		4,835,300
3	Justice system fund.....		428,100
4	Garnishment fees.....		2,638,600
5	State restricted indirect funds.....		278,600
6	Treasury fees.....		47,200
7	State general fund/general purpose.....	\$	3,330,400
8	(7) FINANCIAL PROGRAMS		
9	Full-time equated classified positions.....	210.5	
10	Investments--82.0 FTE positions.....	\$	20,594,200
11	Common cash and debt management--21.5 FTE positions ..		1,666,200
12	Student financial assistance programs--25.5 FTE		
13	positions		2,683,300
14	Michigan finance authority - bond finance--72.5 FTE		
15	positions		38,856,600
16	John R. Justice grant program.....		288,100
17	Dual enrollment payments.....		1,507,600
18	Financial independence team--9.0 FTE positions		<u>3,729,500</u>
19	GROSS APPROPRIATION.....	\$	69,325,500
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG, fiscal agent service fees.....		210,500
23	Federal revenues:		
24	DED-OPSE, federal lenders allowance.....		10,686,100
25	DED-OPSE, higher education act of 1965, insured loans		25,169,600
26	Federal - John R. Justice grant.....		288,100
27	Special revenue funds:		

1	Defined contribution administrative fee revenue	100,000
2	Michigan finance authority bond and loan program	
3	revenue	3,000,900
4	Michigan merit award trust fund.....	1,163,800
5	Retirement funds.....	19,016,000
6	School bond fees.....	854,300
7	Treasury fees.....	1,694,600
8	State general fund/general purpose	\$ 7,141,600
9	(8) DEBT SERVICE	
10	Quality of life bond.....	\$ 28,687,000
11	Clean Michigan initiative.....	89,477,000
12	Great Lakes water quality bond.....	<u>18,873,000</u>
13	GROSS APPROPRIATION.....	\$ 137,037,000
14	Appropriated from:	
15	State general fund/general purpose	\$ 137,037,000
16	(9) GRANTS	
17	Convention facility development distribution.....	\$ 90,950,000
18	Senior citizen cooperative housing tax exemption	
19	program	10,520,000
20	Emergency 911 payments.....	27,000,000
21	Health and safety fund grants.....	9,000,000
22	Beat the streets.....	100,000
23	Gianna house.....	100,000
24	Student loan delinquency counseling pilot program....	345,600
25	Lenawee intermediate school district plasma cutting	
26	machine matching grant	<u>76,000</u>
27	GROSS APPROPRIATION.....	\$ 138,091,600

1	Appropriated from:	
2	Special revenue funds:	
3	Emergency 911 fund.....	27,000,000
4	Convention facility development fund.....	90,950,000
5	Health and safety fund.....	9,000,000
6	State general fund/general purpose.....	\$ 11,141,600
7	(10) BUREAU OF STATE LOTTERY	
8	Full-time equated classified positions.....	183.0
9	Lottery operations--183.0 FTE positions.....	\$ 24,760,300
10	Lottery information technology services and projects .	<u>5,239,600</u>
11	GROSS APPROPRIATION.....	\$ 29,999,900
12	Appropriated from:	
13	Special revenue funds:	
14	State lottery fund.....	29,999,900
15	State general fund/general purpose.....	\$ 0
16	(11) CASINO GAMING	
17	Full-time equated classified positions.....	142.0
18	Michigan gaming control board.....	\$ 50,000
19	Casino gaming control operations--132.0 FTE positions	26,196,700
20	Casino gaming information technology services and	
21	projects	2,012,700
22	Racing commission--10.0 FTE positions.....	<u>2,462,600</u>
23	GROSS APPROPRIATION.....	\$ 30,722,000
24	Appropriated from:	
25	Special revenue funds:	
26	Casino gambling agreements.....	942,700
27	Equine development fund.....	2,085,300

1	Laboratory fees.....	700,000
2	State services fee fund.....	26,994,000
3	State general fund/general purpose.....	\$ 0
4	(12) PAYMENTS IN LIEU OF TAXES	
5	Commercial forest reserve.....	\$ 3,368,100
6	Purchased lands.....	8,425,100
7	Swamp and tax reverted lands.....	<u>15,605,600</u>
8	GROSS APPROPRIATION.....	\$ 27,398,800
9	Appropriated from:	
10	Special revenue funds:	
11	Private funds.....	26,700
12	Game and fish protection fund.....	2,919,700
13	Michigan natural resources trust fund.....	2,004,600
14	Michigan state waterways fund.....	253,200
15	State general fund/general purpose.....	\$ 22,194,600
16	(13) REVENUE SHARING	
17	Constitutional state general revenue sharing grants ..	\$ 757,875,200
18	County revenue sharing payments.....	174,234,000
19	County incentive program.....	43,033,500
20	City, village, and township revenue sharing.....	243,040,000
21	Financially distressed cities, villages, or townships	<u>5,000,000</u>
22	GROSS APPROPRIATION.....	\$ 1,223,182,700
23	Appropriated from:	
24	Special revenue funds:	
25	Sales tax.....	1,223,182,700
26	State general fund/general purpose.....	\$ 0
27	(14) STATE BUILDING AUTHORITY	

1	Full-time equated classified positions.....	4.0	
2	State building authority--4.0 FTE positions		\$ <u>725,200</u>
3	GROSS APPROPRIATION.....		\$ 725,200
4	Appropriated from:		
5	Special revenue funds:		
6	State building authority revenue		725,200
7	State general fund/general purpose	\$	0
8	(15) CITY INCOME TAX ADMINISTRATION PROGRAM		
9	Full-time equated classified positions.....	49.0	
10	City income tax administration program--49.0 FTE		
11	positions		\$ <u>5,879,100</u>
12	GROSS APPROPRIATION.....		\$ 5,879,100
13	Appropriated from:		
14	Special revenue funds:		
15	Local - city income tax fund.....		5,879,100
16	State general fund/general purpose	\$	0
17	(16) INFORMATION TECHNOLOGY		
18	Treasury operations information technology services		
19	and projects		\$ <u>30,813,800</u>
20	GROSS APPROPRIATION.....		\$ 30,813,800
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG from MDOT, Michigan transportation fund.....		400,000
24	Federal revenues:		
25	DED-OPSE, federal lender allowance		625,800
26	Special revenue funds:		
27	Local - city income tax fund.....		1,213,800

1	Delinquent tax collection revenue.....		17,365,400
2	Retirement funds.....		766,300
3	Tobacco tax revenue.....		129,000
4	State general fund/general purpose.....	\$	10,313,500
5	(17) ONE-TIME BASIS ONLY APPROPRIATIONS		
6	City, village, and township revenue sharing.....	\$	5,800,000
7	Free individual tax e-file.....		2,842,500
8	Urban search and rescue.....		500,000
9	Drinking water declaration of emergency.....		<u>100</u>
10	GROSS APPROPRIATION.....	\$	9,142,600
11	Appropriated from:		
12	Special revenue funds:		
13	Sales tax.....		5,800,000
14	Drinking water declaration of emergency reserve fund.		100
15	State general fund/general purpose.....	\$	3,342,500
16	Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC		
17	DEVELOPMENT		
18	(1) APPROPRIATION SUMMARY		
19	Full-time equated unclassified positions.....	6.0	
20	Full-time equated classified positions.....	1,609.0	
21	GROSS APPROPRIATION.....	\$	1,145,994,300
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		0
25	ADJUSTED GROSS APPROPRIATION.....	\$	1,145,994,300
26	Federal revenues:		

1	Total federal revenues.....	768,144,800
2	Special revenue funds:	
3	Total local revenues.....	500,000
4	Total private revenues.....	5,619,000
5	Total other state restricted revenues.....	192,341,600
6	State general fund/general purpose.....	\$ 179,388,900
7	(2) DEPARTMENTAL ADMINISTRATION	
8	Full-time equated unclassified positions..... 6.0	
9	Full-time equated classified positions..... 1.0	
10	Unclassified positions--6.0 FTE positions.....	\$ 897,400
11	Executive direction and operations--1.0 FTE position.	<u>812,900</u>
12	GROSS APPROPRIATION.....	\$ 1,710,300
13	Appropriated from:	
14	Federal revenues:	
15	DOL-ETA, unemployment insurance.....	931,600
16	DOL, federal funds.....	247,600
17	Special revenue funds:	
18	Michigan state housing development authority fees and	
19	charges	400,800
20	State general fund/general purpose.....	\$ 130,300
21	(3) MICHIGAN STRATEGIC FUND	
22	Full-time equated classified positions..... 194.0	
23	Administrative services--34.0 FTE positions.....	\$ 5,743,600
24	Job creation services--160.0 FTE positions.....	22,198,400
25	Pure Michigan.....	34,000,000
26	Entrepreneurship ecosystem.....	19,400,000
27	Business attraction and community revitalization.....	101,500,000

1	Community development block grants	47,000,000
2	Arts and cultural program	10,150,000
3	Community college skilled trades equipment program	
4	debt service	4,600,000
5	Facility for rare isotope beams	<u>7,300,000</u>
6	GROSS APPROPRIATION	\$ 251,892,000
7	Appropriated from:	
8	Federal revenues:	
9	DOL, federal funds	2,326,300
10	DOL-ETA, unemployment insurance	287,000
11	HUD-CPD community development block grant	49,773,300
12	NFAH-NEA, promotion of the arts, partnership	
13	agreements	1,050,000
14	Special revenue funds:	
15	Private - special project advances	250,000
16	Private - Michigan council for the arts fund	100,000
17	Industry support fees	5,500
18	21st century jobs trust fund	75,000,000
19	Michigan film promotion fund	400,000
20	Michigan state housing development authority fees and	
21	charges	4,609,000
22	State general fund/general purpose	\$ 118,090,900
23	(4) TALENT INVESTMENT AGENCY	
24	Full-time equated classified positions	1,092.0
25	Executive direction--7.0 FTE positions	\$ 1,175,600
26	Workforce program administration--225.0 FTE positions	33,169,900
27	Workforce development programs	387,022,900

1	Skilled trades training program.....	30,900,000
2	Community ventures--7.0 FTE positions.....	9,800,000
3	Unemployment insurance agency--853.0 FTE positions...	139,065,500
4	Information technology services and projects - TIA...	<u>22,501,000</u>
5	GROSS APPROPRIATION.....	\$ 623,634,900
6	Appropriated from:	
7	Federal revenues:	
8	DAG, employment and training.....	3,499,400
9	DED-OESE, GEAR-UP.....	4,730,700
10	DED-OVAE, adult education.....	20,000,000
11	DED-OVAE, basic grants to states.....	19,000,000
12	DOL, federal funds.....	109,353,800
13	DOL-ETA, workforce investment act.....	173,988,600
14	DOL-ETA, unemployment insurance.....	139,457,500
15	Federal funds.....	5,940,200
16	Social security act, temporary assistance to needy	
17	families	64,898,800
18	Special revenue funds:	
19	Local revenues.....	500,000
20	Private funds.....	5,269,000
21	Contingent fund, penalty and interest account.....	48,635,300
22	Defaulted loan collection fees.....	152,500
23	State general fund/general purpose.....	\$ 28,209,100
24	(5) LAND BANK FAST TRACK AUTHORITY	
25	Full-time equated classified positions..... 6.0	
26	Land bank fast track authority--6.0 FTE positions....	\$ <u>5,256,400</u>
27	GROSS APPROPRIATION.....	\$ 5,256,400

1	Appropriated from:	
2	Federal revenues:	
3	Federal revenues.....	1,000,000
4	Special revenue funds:	
5	Land bank fast track fund.....	297,800
6	State general fund/general purpose.....	\$ 3,958,600
7	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
8	Full-time equated classified positions.....	316.0
9	Payments on behalf of tenants.....	\$ 166,860,000
10	Housing and rental assistance--316.0 FTE positions ...	51,248,200
11	Lighthouse preservation program.....	307,500
12	Rent and administrative support.....	3,721,000
13	Information technology services and projects - MSHDA .	<u>3,585,500</u>
14	GROSS APPROPRIATION.....	\$ 225,722,200
15	Appropriated from:	
16	Federal funds:	
17	HUD, lower income housing assistance.....	166,860,000
18	Special revenue funds:	
19	Michigan state housing development authority fees and	
20	charges	58,554,700
21	Michigan lighthouse preservation program.....	307,500
22	State general fund/general purpose.....	\$ 0
23	(7) ONE-TIME BASIS ONLY APPROPRIATIONS	
24	MSF, business attraction and community revitalization	\$ 13,999,900
25	Special grants.....	12,000,000
26	Statewide data system integration.....	8,778,500
27	Sustainable employment pilot program.....	100

1	Protect and grow.....		<u>3,000,000</u>
2	GROSS APPROPRIATION.....	\$	37,778,500
3	Appropriated from:		
4	Federal revenues:		
5	Federal funds.....		4,800,000
6	Special revenue funds:		
7	Contingent fund, penalty and interest account.....		3,978,500
8	State general fund/general purpose.....	\$	29,000,000

9 PART 2

10 PROVISIONS CONCERNING APPROPRIATIONS

11 FOR FISCAL YEAR 2016-2017

12 **GENERAL SECTIONS**

13 Sec. 201. (1) Pursuant to section 30 of article IX of the
 14 state constitution of 1963, total state spending from state
 15 resources under part 1 for fiscal year 2016-2017 is
 16 \$3,264,303,300.00 and state spending from state resources to be
 17 paid to local units of government for fiscal year 2016-2017 is
 18 \$1,427,689,500.00. The itemized statement below identifies
 19 appropriations from which spending to local units of government
 20 will occur:

21 DEPARTMENT OF STATE

22	Fees to local units.....	\$	109,800
23	Motorcycle safety grants.....		<u>1,101,500</u>
24	Subtotal.....	\$	1,211,300

25 DEPARTMENT OF TREASURY

1	Senior citizen cooperative housing tax exemption.....	\$	10,520,000
2	Health and safety fund grants.....		9,000,000
3	Constitutional state general revenue sharing grants..		757,875,200
4	City, village, and township revenue sharing.....		248,840,000
5	Convention facility development fund distribution....		90,950,000
6	Emergency 9-1-1 payments.....		23,800,000
7	Financially distressed cities, villages, or townships		5,000,000
8	County incentive program.....		43,033,500
9	County revenue sharing payments.....		174,234,000
10	Airport parking distribution pursuant to section 909.		24,601,900
11	Payments in lieu of taxes.....		<u>27,398,800</u>
12	Subtotal.....	\$	1,415,253,400
13	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT		
14	Welfare-to-work programs.....	\$	<u>11,224,800</u>
15	Subtotal.....	\$	<u>11,224,800</u>
16	TOTAL GENERAL GOVERNMENT.....	\$	1,427,689,500

17 (2) Pursuant to section 30 of article IX of the state
18 constitution of 1963, total state spending from state sources for
19 fiscal year 2016-2017 is estimated at \$30,991,536,400.00 in the
20 2016-2017 appropriations acts and total state spending from state
21 sources paid to local units of government for fiscal year 2016-2017
22 is estimated at \$17,174,886,500.00. The state-local proportion is
23 estimated at 55.4% of total state spending from state resources.

24 (3) If payments to local units of government and state
25 spending from state sources for fiscal year 2016-2017 are different
26 than the amounts estimated in subsection (2), the state budget
27 director shall report the payments to local units of government and

1 state spending from state sources that were made for fiscal year
2 2016-2017 to the senate and house of representatives standing
3 committees on appropriations within 30 days after the final book-
4 closing for fiscal year 2016-2017.

5 Sec. 202. The appropriations authorized under this part and
6 part 1 are subject to the management and budget act, 1984 PA 431,
7 MCL 18.1101 to 18.1594.

8 Sec. 203. As used in this part and part 1:

9 (a) "ATM" means automated teller machine.

10 (b) "COBRA" means the consolidated omnibus budget
11 reconciliation act of 1985, Public Law 99-272, 100 Stat 82.

12 (c) "DAG" means the United States Department of Agriculture.

13 (d) "DED" means the United States Department of Education.

14 (e) "DED-OESE" means the DED Office of Elementary and
15 Secondary Education.

16 (f) "DED-OPSE" means the DED Office of Postsecondary
17 Education.

18 (g) "DED-OVAE" means the DED Office of Vocational and Adult
19 Education.

20 (h) "DOE-OEERE" means the United States Department of Energy,
21 Office of Energy Efficiency and Renewable Energy.

22 (i) "DOL" means the United States Department of Labor.

23 (j) "DOL-ETA" means the United States Department of Labor,
24 Employment and Training Administration.

25 (k) "EEOC" means the United States Equal Employment
26 Opportunity Commission.

27 (l) "FTE" means full-time equated.

- 1 (m) "Fund" means the Michigan strategic fund.
- 2 (n) "GEAR-UP" means gaining early awareness and readiness for
3 undergraduate programs.
- 4 (o) "GED" means a general educational development certificate.
- 5 (p) "GF/GP" means general fund/general purpose.
- 6 (q) "HHS" means the United States Department of Health and
7 Human Services.
- 8 (r) "HHS-OS" means the HHS Office of the Secretary.
- 9 (s) "HHS-SSA" means the HHS Social Security Administration.
- 10 (t) "HUD" means the United States Department of Housing and
11 Urban Development.
- 12 (u) "HUD-CPD" means the United States Department of Housing
13 and Urban Development - Community Planning and Development.
- 14 (v) "IDG" means interdepartmental grant.
- 15 (w) "JCOS" means the joint capital outlay subcommittee.
- 16 (x) "MAIN" means the Michigan administrative information
17 network.
- 18 (y) "MCL" means the Michigan Compiled Laws.
- 19 (z) "MDE" means the Michigan department of education.
- 20 (aa) "MDLARA" means the Michigan department of licensing and
21 regulatory affairs.
- 22 (bb) "MDEQ" means the Michigan department of environmental
23 quality.
- 24 (cc) "MDHHS" means the Michigan department of health and human
25 services.
- 26 (dd) "MDMVA" means the Michigan department of military and
27 veterans affairs.

1 (ee) "MDOT" means the Michigan department of transportation.

2 (ff) "MDSP" means the Michigan department of state police.

3 (gg) "MDTMB" means the Michigan department of technology,
4 management, and budget.

5 (hh) "MEDC" means the Michigan economic development
6 corporation, which is the public body corporate created under
7 section 28 of article VII of the state constitution of 1963 and the
8 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
9 124.512, by contractual interlocal agreement effective April 5,
10 1999, between local participating economic development corporations
11 formed under the economic development corporations act, 1974 PA
12 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

13 (ii) "MFA" means the Michigan finance authority.

14 (jj) "MPE" means the Michigan public employees.

15 (kk) "MSF" means the Michigan strategic fund.

16 (ll) "MSHDA" means the Michigan state housing development
17 authority.

18 (mm) "NERE" means nonexclusively represented employees.

19 (nn) "NFAH-NEA" means the National Foundation of the Arts and
20 the Humanities - National Endowment for the Arts.

21 (oo) "PA" means public act.

22 (pp) "PATH" means Partnership. Accountability. Training. Hope.

23 (qq) "RFP" means a request for a proposal.

24 (rr) "SEIU" means Service Employees International Union.

25 (ss) "WDA" means the workforce development agency.

26 (tt) "WIC" means women, infants, and children.

27 Sec. 206. The departments and agencies receiving

1 appropriations in part 1 shall cooperate with the department of
2 technology, management, and budget to maintain a searchable website
3 that is updated at least quarterly and that is accessible by the
4 public at no cost that includes, but is not limited to, all of the
5 following for each department or agency:

6 (a) Fiscal year-to-date expenditures by category.

7 (b) Fiscal year-to-date expenditures by appropriation unit.

8 (c) Fiscal year-to-date payments to a selected vendor,
9 including the vendor name, payment date, payment amount, and
10 payment description.

11 (d) The number of active department employees by job
12 classification.

13 (e) Job specifications and wage rates.

14 Sec. 208. The departments and agencies receiving
15 appropriations in part 1 shall use the Internet to fulfill the
16 reporting requirements of this part. This requirement may include
17 transmission of reports via electronic mail to the recipients
18 identified for each reporting requirement, or it may include
19 placement of reports on an Internet or Intranet site.

20 Sec. 209. Funds appropriated in part 1 shall not be used for
21 the purchase of foreign goods or services, or both, if
22 competitively priced and of comparable quality American goods or
23 services, or both, are available. Preference shall be given to
24 goods or services, or both, manufactured or provided by Michigan
25 businesses, if they are competitively priced and of comparable
26 quality. In addition, preference should be given to goods or
27 services, or both, that are manufactured or provided by Michigan

businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 210. The director of each department and agency receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 211. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Michigan personal income (millions).	\$421,044	\$436,623	\$453,651
less: transfer payments.....	<u>91,527</u>	<u>96,012</u>	<u>101,044</u>
Subtotal	\$329,517	\$340,611	\$352,647
Divided by: Detroit consumer price			
index for 12 months ending June 30	2.195	2.191	2.223
Equals: real adjusted Michigan			
personal income.....	\$150,122	\$155,487	\$158,618
Percentage change.....	N/A	3.6%	2.0%
Growth rate in excess of 2%?.....	N/A	1.6%	0.0%
Equals: countercyclical budget and			
economic stabilization fund pay-in			

1	calculation for the fiscal year ending			
2	September 30, 2017 (millions).....	N/A	\$155.7	N/A
3	Growth rate less than 0%?.....	N/A	NO	NO
4	Equals: countercyclical budget and			
5	economic stabilization fund pay-out			
6	calculation for the fiscal year ending			
7	September 30, 2017 (millions).....	N/A	N/A	\$0.0

8 (2) Notwithstanding subsection (1), there is appropriated for
 9 the fiscal year ending September 30, 2017, from GF/GP revenue for
 10 deposit into the countercyclical budget and economic stabilization
 11 fund the sum of \$0.00.

12 (3) In addition to the appropriation to the countercyclical
 13 budget and economic stabilization fund in subsection (2), there is
 14 appropriated to the countercyclical budget and economic
 15 stabilization fund for the fiscal year ending September 30, 2017,
 16 25% of fiscal year 2016-2017 general fund/general purpose
 17 unassigned fund balance recorded as part of the state book closing
 18 process for the 2016-2017 fiscal year.

19 Sec. 212. The departments and agencies receiving
 20 appropriations in part 1 shall receive and retain copies of all
 21 reports funded from appropriations in part 1. Federal and state
 22 guidelines for short-term and long-term retention of records shall
 23 be followed. The department may electronically retain copies of
 24 reports unless otherwise required by federal and state guidelines.

25 Sec. 213. Funds appropriated in part 1 shall not be used by
 26 this state, a department, an agency, or an authority of this state
 27 to purchase an ownership interest in a casino enterprise or a

1 gambling operation as those terms are defined in the Michigan
2 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

3 Sec. 215. A department or state agency shall not take
4 disciplinary action against an employee for communicating with a
5 member of the legislature or his or her staff.

6 Sec. 216. The departments and agencies receiving
7 appropriations in part 1 shall prepare a report on out-of-state
8 travel expenses not later than January 1 of each year. The travel
9 report shall be a listing of all travel by classified and
10 unclassified employees outside this state in the immediately
11 preceding fiscal year that was funded in whole or in part with
12 funds appropriated in the department's budget. The report shall be
13 submitted to the house and senate standing committees on
14 appropriations, the house and senate fiscal agencies, and the state
15 budget director. The report shall include the following
16 information:

17 (a) The dates of each travel occurrence.

18 (b) The total transportation and related costs of each travel
19 occurrence, including the proportion funded with state GF/GP
20 revenues, the proportion funded with state restricted revenues, the
21 proportion funded with federal revenues, and the proportion funded
22 with other revenues.

23 Sec. 217. General fund appropriations in part 1 shall not be
24 expended for items in cases where federal funding or private grant
25 funding is available for the same expenditures.

26 Sec. 219. The departments and agencies receiving
27 appropriations in part 1 shall maintain, on a publicly accessible

1 website, a department or agency scorecard that identifies, tracks,
2 and regularly updates key metrics that are used to monitor and
3 improve the department's or agency's performance.

4 Sec. 221. Each department and agency shall report no later
5 than April 1 on each specific policy change made to implement a
6 public act affecting the department that took effect during the
7 prior calendar year to the senate and house of representatives
8 standing committees on appropriations subcommittees on general
9 government, the joint committee on administrative rules, and the
10 senate and house fiscal agencies.

11 Sec. 226. Funds appropriated in part 1 shall not be used by a
12 principal executive department, state agency, or authority to hire
13 a person to provide legal services that are the responsibility of
14 the attorney general. This prohibition does not apply to legal
15 services for bonding activities and for those outside legal
16 services that the attorney general authorizes.

17 Sec. 227. Within 14 days after the release of the executive
18 budget recommendation, the departments and agencies receiving
19 appropriations in part 1 shall cooperate with the state budget
20 director to provide the chairs of the senate and house of
21 representatives standing committees on appropriations, the chairs
22 of the senate and house of representatives standing committees on
23 appropriations subcommittees on general government, and the senate
24 and house fiscal agencies with an annual report on estimated state
25 restricted fund balances, state restricted fund projected revenues,
26 and state restricted fund expenditures for the fiscal years ending
27 September 30, 2016 and September 30, 2017.

1 Sec. 228. Not later than November 30, the state budget office
2 shall prepare and transmit a report that provides for estimates of
3 the total GF/GP appropriation lapses at the close of the prior
4 fiscal year. This report shall summarize the projected year-end
5 GF/GP appropriation lapses by major departmental program or program
6 areas. The report shall be transmitted to the chairpersons of the
7 senate and house appropriations committees and the senate and house
8 fiscal agencies.

9 Sec. 229. If the office of the auditor general has identified
10 an initiative or made a recommendation that is related to savings
11 and efficiencies in an audit report for an executive branch
12 department or agency, the department or agency shall report within
13 6 months of the release of the audit on their efforts and progress
14 made toward achieving the savings and efficiencies identified in
15 the audit report. The report shall be submitted to the chairs of
16 the senate and house of representatives standing committees on
17 appropriations, the chairs of the senate and house of
18 representatives standing committees with jurisdiction over matters
19 relating to the department that is audited, and the senate and
20 house fiscal agencies.

21 Sec. 233. In addition to the GF/GP appropriations for special
22 maintenance, remodeling, and addition - state facilities in part 1,
23 there is also appropriated related federal and state restricted
24 funds up to the amounts that will be earned based upon the
25 initiatives undertaken with the funds in part 1. The state budget
26 director shall determine and authorize the appropriate manner for
27 implementing this section.

1 Sec. 234. In addition to the GF/GP appropriations for
2 enterprisewide information technology investments in part 1, there
3 is also appropriated related federal and state restricted funds up
4 to the amounts that will be earned based upon the initiatives
5 undertaken with the funds in part 1. The state budget director
6 shall determine and authorize the appropriate manner for
7 implementing this section.

8 Sec. 235. By April 1, the state budget director shall submit a
9 report to the senate and house appropriations committees and the
10 senate and house fiscal agencies. The report shall recommend a
11 contingency plan for each federal funding source included in the
12 state budget of \$10,000,000.00 or more in the event that the
13 federal government reduces funding to the state through that source
14 by 10% or greater.

15 Sec. 240. (1) Concurrently with the submission of the fiscal
16 year 2017-2018 executive budget recommendations, the state budget
17 office shall provide the senate and house appropriations
18 committees, the senate and house fiscal agencies, and the policy
19 offices, a report that lists each new program or program
20 enhancement for which funds in excess of \$500,000.00 are
21 appropriated in part 1 of each departmental appropriation act.

22 (2) By July 1, 2017, the state budget director and the chairs
23 of the senate and house appropriations committees shall identify
24 new programs or program enhancements identified under subsection
25 (1) for measurement using program-specific metrics, in addition to
26 the metrics required under section 447 of the management and budget
27 act, 1984 PA 431, MCL 18.1447.

1 (3) By September 30, 2018, the state budget office shall
2 provide a report on the specific metrics and the progress in
3 meeting the estimated performance for each program identified under
4 subsection (2) to the senate and house appropriations committees,
5 the senate and house appropriations subcommittees on each state
6 department, and the senate and house fiscal agencies and policy
7 offices. It is the intent of the legislature that the governor
8 consider the estimated performance of the new program or program
9 enhancement as the basis for any increase in funds appropriated
10 from the prior year.

11 **DEPARTMENT OF ATTORNEY GENERAL**

12 Sec. 301. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$1,500,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in part 1 under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

18 (2) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$1,500,000.00 for state
20 restricted contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in part 1 under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (3) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$100,000.00 for local
26 contingency funds. These funds are not available for expenditure

1 until they have been transferred to another line item in part 1
2 under section 393(2) of the management and budget act, 1984 PA 431,
3 MCL 18.1393.

4 (4) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$100,000.00 for private
6 contingency funds. These funds are not available for expenditure
7 until they have been transferred to another line item in part 1
8 under section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

10 Sec. 302. (1) The attorney general shall perform all legal
11 services, including representation before courts and administrative
12 agencies rendering legal opinions and providing legal advice to a
13 principal executive department or state agency. A principal
14 executive department or state agency shall not employ or enter into
15 a contract with any other person for services described in this
16 section.

17 (2) The attorney general shall defend judges of all state
18 courts if a claim is made or a civil action is commenced for
19 injuries to persons or property caused by the judge through the
20 performance of the judge's duties while acting within the scope of
21 his or her authority as a judge.

22 (3) The attorney general shall perform the duties specified in
23 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
24 14.102, and as otherwise provided by law.

25 Sec. 303. The attorney general may sell copies of the biennial
26 report in excess of the 350 copies that the attorney general may
27 distribute on a gratis basis. Gratis copies shall not be provided

1 to members of the legislature. Electronic copies of biennial
2 reports shall be made available on the department of attorney
3 general's website. The attorney general shall sell copies of the
4 report at not less than the actual cost of the report and shall
5 deposit the money received into the general fund.

6 Sec. 304. The department of attorney general is responsible
7 for the legal representation for state of Michigan state employee
8 worker's disability compensation cases. The risk management
9 revolving fund revenue appropriation in part 1 is to be satisfied
10 by billings from the department of attorney general for the actual
11 costs of legal representation, including salaries and support
12 costs.

13 Sec. 305. In addition to the funds appropriated in part 1, not
14 more than \$400,000.00 shall be reimbursed per fiscal year for food
15 stamp fraud cases heard by the third circuit court of Wayne County
16 that were initiated by the department of attorney general pursuant
17 to the existing contract between the department of health and human
18 services, the Prosecuting Attorneys Association of Michigan, and
19 the department of attorney general. The source of this funding is
20 money earned by the department of attorney general under the
21 agreement after the allowance for reimbursement to the department
22 of attorney general for costs associated with the prosecution of
23 food stamp fraud cases. It is recognized that the federal funds are
24 earned by the department of attorney general for its documented
25 progress on the prosecution of food stamp fraud cases according to
26 the United States Department of Agriculture regulations and that,
27 once earned by this state, the funds become state funds.

1 Sec. 306. Any proceeds from a lawsuit initiated by or
2 settlement agreement entered into on behalf of this state against a
3 manufacturer of tobacco products by the attorney general are state
4 funds and are subject to appropriation as provided by law.

5 Sec. 307. (1) In addition to the antitrust revenues in part 1,
6 antitrust, securities fraud, consumer protection or class action
7 enforcement revenues, or attorney fees recovered by the department,
8 not to exceed \$250,000.00, are appropriated to the department for
9 antitrust, securities fraud, and consumer protection or class
10 action enforcement cases.

11 (2) Any unexpended funds from antitrust, securities fraud, or
12 consumer protection or class action enforcement revenues at the end
13 of the fiscal year, including antitrust funds in part 1, may be
14 carried forward for expenditure in the following fiscal year up to
15 the maximum authorization of \$250,000.00.

16 Sec. 308. (1) In addition to the funds appropriated in part 1,
17 there is appropriated up to \$1,000,000.00 from litigation expense
18 reimbursements awarded to the state.

19 (2) The funds may be expended for the payment of court
20 judgments, settlements, arbitration awards or other administrative
21 and litigation decisions, attorney fees, and litigation costs,
22 assessed against the office of the governor, the department of the
23 attorney general, the governor, or the attorney general when acting
24 in an official capacity as the named party in litigation against
25 the state. The funds may also be expended for the payment of state
26 costs incurred under section 16 of chapter X of the code of
27 criminal procedure, 1927 PA 175, MCL 770.16.

1 (3) Unexpended funds at the end of the fiscal year may be
2 carried forward for expenditure in the following year, up to a
3 maximum authorization of \$1,000,000.00.

4 Sec. 309. From the prisoner reimbursement funds appropriated
5 in part 1, the department may spend up to \$625,200.00 on activities
6 related to the state correctional facility reimbursement act, 1935
7 PA 253, MCL 800.401 to 800.406. In addition to the funds
8 appropriated in part 1, if the department collects in excess of
9 \$1,131,000.00 in gross annual prisoner reimbursement receipts
10 provided to the general fund, the excess, up to a maximum of
11 \$1,000,000.00, is appropriated to the department of attorney
12 general and may be spent on the representation of the department of
13 corrections and its officers, employees, and agents, including, but
14 not limited to, the defense of litigation against the state, its
15 departments, officers, employees, or agents in civil actions filed
16 by prisoners.

17 Sec. 310. (1) For the purposes of providing title IV-D child
18 support enforcement funding, the department of health and human
19 services, as the state IV-D agency, shall maintain a cooperative
20 agreement with the attorney general for federal IV-D funding to
21 support the child support enforcement activities within the office
22 of the attorney general.

23 (2) The attorney general or his or her designee shall, to the
24 extent allowable under federal law, have access to any information
25 used by the state to locate parents who fail to pay court-ordered
26 child support.

27 Sec. 312. The department of attorney general shall not receive

1 and expend funds in addition to those authorized in part 1 for
2 legal services provided specifically to other state departments or
3 agencies except for costs for expert witnesses, court costs, or
4 other nonsalary litigation expenses associated with a pending legal
5 action.

6 Sec. 313. From the funds appropriated in part 1 for attorney
7 general operations, the department shall allocate \$600,000.00 for
8 the investigation and prosecution of mortgage fraud.

9 Sec. 314. From the lawsuit settlement proceeds fund
10 appropriated in part 1, the department may spend the funds for the
11 costs of all associated expenses related to the declaration of
12 emergency due to drinking water contamination up to \$2,600,000.00.

13 Sec. 314a. (1) From the funds appropriated in part 1 for one-
14 time appropriations for the attorney general, the department of
15 attorney general shall allocate \$700,000.00 for investigations,
16 crime victim rights, prosecutions, and appeals for retroactive
17 juvenile life without parole cases.

18 (2) The attorney general's office shall submit a detailed
19 expenditure report to the house and senate appropriations
20 subcommittees on general government and the judiciary, the senate
21 and house fiscal agencies, and the state budget director by
22 September 30 detailing how the funds provided in subsection (1)
23 were expended.

24 Sec. 315. Total authorized appropriations from all sources
25 under part 1 for legacy costs for the fiscal year ending September
26 30, 2017 are \$18,361,000.00. From this amount, total agency
27 appropriations for pension-related legacy costs are estimated at

1 \$10,096,700.00. Total agency appropriations for retiree health care
2 legacy costs are estimated at \$8,264,300.00.

3 Sec. 316. (1) From the funds appropriated in part 1 for sexual
4 assault law enforcement efforts, the department shall use the funds
5 for testing of backlogged sexual assault kits across the state. The
6 funding provided in part 1 shall be distributed in the following
7 order of priority:

8 (a) To eliminate all county sexual assault kit backlogs
9 outside of Wayne County.

10 (b) To assist local prosecutors with investigations and
11 prosecutions of viable cases.

12 (c) To provide victim services.

13 (2) The department of attorney general shall provide a
14 detailed work and spending plan outlining anticipated litigation
15 action and expenditures resulting from findings of the sexual
16 assault kit testing. The spending plan shall be transmitted to the
17 state budget office, the senate and house fiscal agencies, and the
18 senate and house of representatives standing committees on
19 appropriations subcommittees on general government. The
20 appropriation shall not be available for expenditure until the work
21 plan is approved by the state budget director. The state budget
22 office shall notify the senate and house of representatives
23 standing committees on appropriations subcommittees on general
24 government at least 15 days prior to release of the funds.

25 (3) The department of attorney general shall provide a report
26 by January 30 providing updated information related to the work and
27 spending plan listed in subsection (2) and provide an update on

1 expenditures made in relation to assisting local prosecutions and
2 investigations and providing victim services. The report shall be
3 distributed to the state budget office and the chairs of the senate
4 and house of representatives standing committees on appropriations
5 subcommittees on general government, as well as the senate and
6 house fiscal agencies.

7 Sec. 317. (1) The department of attorney general shall report
8 all legal costs and associated expenses related to the declaration
9 of emergency due to drinking water contamination, and the
10 investigations and any resulting prosecutions, for publication in
11 the Flint water emergency-financial and activities tracking and
12 reporting document that is posted by the state budget director on
13 the public website, michigan.gov/flintwater. The tracking and
14 reporting documents shall include the budget line item source for
15 each expenditure.

16 (2) At the conclusion of all attorney general investigations
17 related to the declaration of emergency due to drinking water
18 contamination, all materials related to any investigations shall be
19 preserved pursuant to applicable document retention policies.

20 **DEPARTMENT OF CIVIL RIGHTS**

21 Sec. 401. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$2,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

1 (2) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$750,000.00 for private
3 contingency funds. These funds are not available for expenditure
4 until they have been transferred to another line item in part 1
5 under section 393(2) of the management and budget act, 1984 PA 431,
6 MCL 18.1393.

7 Sec. 402. (1) In addition to the appropriations contained in
8 part 1, the department of civil rights may receive and expend funds
9 from local or private sources for all of the following purposes:

10 (a) Developing and presenting training for employers on equal
11 employment opportunity law and procedures.

12 (b) The publication and sale of civil rights related
13 informational material.

14 (c) The provision of copy material made available under
15 freedom of information requests.

16 (d) Other copy fees, subpoena fees, and witness fees.

17 (e) Developing, presenting, and participating in mediation
18 processes for certain civil rights cases.

19 (f) Workshops, seminars, and recognition or award programs
20 consistent with the programmatic mission of the individual unit
21 sponsoring or coordinating the programs.

22 (g) Staffing costs for all activities included in this
23 subsection.

24 (2) The department of civil rights shall annually report to
25 the state budget director, the senate and house of representatives
26 standing committees on appropriations, and the senate and house
27 fiscal agencies the amount of funds received and expended for

1 purposes authorized under this section.

2 Sec. 403. The department of civil rights may contract with
3 local units of government to review equal employment opportunity
4 compliance of potential contractors and may charge for and expend
5 amounts received from local units of government for the purpose of
6 developing and providing these contractual services.

7 Sec. 404. (1) The department of civil rights shall prepare and
8 transmit a detailed report that includes, but is not limited to,
9 the following information for the most recent fiscal year:

10 (a) A detailed description of the department operations.

11 (b) A detailed description of all subunits within the
12 department, including FTE positions associated with each subunit,
13 responsibilities of each subunit, and all revenues and expenditures
14 for each subunit.

15 (c) The number of complaints by type of complaint.

16 (d) The average cost of, and time expended, investigating
17 complaints.

18 (e) The percentage of complaints that are meritorious and
19 worthy of investigation or settlement and the percentage of
20 complaints that have no merit.

21 (f) A listing of amounts awarded to claimants.

22 (g) Expenditures associated with complaint investigation and
23 enforcement.

24 (h) A listing of complaint investigations closed per FTE
25 position for each of the past 5 years.

26 (i) A listing of complaint evaluations completed per FTE
27 position for each of the past 5 years.

1 (j) Productivity projections for the current fiscal year,
2 including investigations closed per FTE, complaint evaluations
3 completed per FTE, and average time expended investigating
4 complaints.

5 (2) The report required under subsection (1) shall be posted
6 online and transmitted electronically not later than November 30 to
7 the state budget director, the chairpersons of the senate and house
8 of representatives standing committees on appropriations, the
9 senate and house appropriations subcommittees on general
10 government, and the senate and house fiscal agencies.

11 Sec. 405. The department of civil rights shall notify the
12 office of the state budget, senate and house of representatives
13 standing committees on appropriations, and senate and house fiscal
14 agencies prior to submitting a report or complaint to the United
15 States Commission on Civil Rights or other federal departments.

16 Sec. 410. Total authorized appropriations from all sources
17 under part 1 for legacy costs for the fiscal year ending September
18 30, 2017 are \$3,062,000.00. From this amount, total agency
19 appropriations for pension-related legacy costs are estimated at
20 \$1,697,800.00. Total agency appropriations for retiree health care
21 legacy costs are estimated at \$1,364,200.00.

22 **LEGISLATURE**

23 Sec. 600. The senate, the house of representatives, or an
24 agency within the legislative branch may receive, expend, and
25 transfer funds in addition to those authorized in part 1.

26 Sec. 601. (1) Funds appropriated in part 1 to an entity within

1 the legislative branch shall not be expended or transferred to
2 another account without written approval of the authorized agent of
3 the legislative entity. If the authorized agent of the legislative
4 entity notifies the state budget director of its approval of an
5 expenditure or transfer before the year-end book-closing date for
6 that legislative entity, the state budget director shall
7 immediately make the expenditure or transfer. The authorized
8 legislative entity agency shall be designated by the speaker of the
9 house of representatives for house entities, the senate majority
10 leader for senate entities, and the legislative council for
11 legislative council entities.

12 (2) Funds appropriated within the legislative branch, to a
13 legislative council component, shall not be expended by any agency
14 or other subgroup included in that component without the approval
15 of the legislative council.

16 Sec. 602. The senate may charge rent and assess charges for
17 utility costs. The amounts received for rent charges and utility
18 assessments are appropriated to the senate for the renovation,
19 operation, and maintenance of the Farnum Building and other
20 properties.

21 Sec. 603. From the appropriation contained in part 1 for
22 national association dues, the first \$34,800.00 shall be paid to
23 the National Conference of Commissioners of Uniform State Laws. The
24 remaining funds shall be distributed accordingly by the legislative
25 council.

26 Sec. 604. (1) The appropriation in part 1 to the Michigan
27 state capitol historic site includes funds to operate the

1 legislative parking facilities in the capitol area. The Michigan
2 state capitol commission shall establish rules regarding the
3 operation of the legislative parking facilities.

4 (2) The Michigan state capitol commission shall collect a fee
5 from state employees and the general public using certain
6 legislative parking facilities. The revenues received from the
7 parking fees are appropriated upon receipt and shall be allocated
8 by the Michigan state capitol commission.

9 Sec. 605. The appropriation in part 1 to the legislative
10 council for publication of the Michigan manual is a work project
11 account. The unexpended portion remaining on September 30 shall not
12 lapse and shall be carried forward into the subsequent fiscal year
13 for use in paying the associated biennial costs of publication of
14 the Michigan manual.

15 Sec. 606. The appropriations in part 1 to the legislative
16 branch, for property management, shall be used to purchase
17 equipment and services for building maintenance in order to ensure
18 a safe and productive work environment. These funds are designated
19 as work project appropriations and shall not lapse at the end of
20 the fiscal year, and shall continue to be available for expenditure
21 until the project has been completed. The total cost is estimated
22 at \$2,000,000.00, and the tentative completion date is September
23 30, 2020.

24 Sec. 607. The appropriations in part 1 to the legislative
25 branch, for automated data processing, shall be used to purchase
26 equipment, software, and services in order to support and implement
27 data processing requirements and technology improvements. These

1 funds are designated as work project appropriations in accordance
2 with section 451a of the management and budget act, 1984 PA 431,
3 MCL 18.1451a, and shall not lapse at the end of the fiscal year,
4 and shall continue to be available for expenditure until the
5 project has been completed. The total cost is estimated at
6 \$2,000,000.00, and the tentative completion date is September 30,
7 2020.

8 Sec. 608. In addition to funds appropriated in part 1, the
9 Michigan capitol committee publications save the flags fund account
10 may accept contributions, gifts, bequests, devises, grants, and
11 donations. Those funds that are not expended in the fiscal year
12 ending September 30 shall not lapse at the close of the fiscal
13 year, and shall be carried forward for expenditure in the following
14 fiscal years.

15 Sec. 610. (1) From the one-time funds appropriated in part 1
16 for the criminal justice policy commission study, the criminal
17 justice policy commission shall spend up to \$500,000.00 for a study
18 to determine what the additional estimated annual costs to counties
19 would be if 17-year-olds were redirected from the adult court and
20 correctional systems into the family court and juvenile justice
21 systems. The study shall also determine the estimated savings to
22 the state corrections system, as well as any other financial or
23 policy costs and benefits, from such a redirection.

24 (2) The unexpended funds appropriated in part 1 for the
25 criminal justice policy commission study are designated as a work
26 project appropriation, and any unencumbered or unallotted funds
27 shall not lapse at the end of the fiscal year and shall be

1 available for expenditure for projects under this section until the
2 projects have been completed. The following is in compliance with
3 section 451a of the management and budget act, 1984 PA 431, MCL
4 18.1451a:

5 (a) The purpose of the project is to determine what additional
6 estimated annual costs to counties would be if 17-year-olds were
7 redirected from the adult court and correctional systems into the
8 family court and juvenile justice systems and the estimated savings
9 to the state corrections system, as well as any other financial or
10 policy costs and benefits, from such a redirection.

11 (b) The project will be accomplished by utilizing state
12 employees or contracts with private vendors, or both.

13 (c) The total estimated cost of the project is \$500,000.00.

14 (d) The tentative completion date is April 1, 2018.

15 Sec. 615. Total authorized appropriations from all sources
16 under part 1 for legacy costs for the fiscal year ending September
17 30, 2017 are \$21,279,600.00. From this amount, total agency
18 appropriations for pension-related legacy costs are estimated at
19 \$11,998,700.00. Total agency appropriations for retiree health care
20 legacy costs are estimated at \$9,280,900.00.

21 Sec. 618. It is the intent of the legislature that all
22 administrative functions and associated funding for the Michigan
23 legislative retirement system shall be transferred from the
24 legislative council to the department of technology, management,
25 and budget before the end of the 2016-2017 fiscal year.

26 Sec. 619. The funds appropriated in part 1 for the Michigan
27 veterans facility ombudsman shall be used to create a veterans

1 facility ombudsman to address complaints made at the veterans'
2 homes of this state.

3 **LEGISLATIVE AUDITOR GENERAL**

4 Sec. 620. Pursuant to section 53 of article IV of the state
5 constitution of 1963, the auditor general shall conduct audits of
6 the judicial branch. The audits may include the supreme court and
7 its administrative units, the court of appeals, and trial courts.

8 Sec. 621. (1) The auditor general shall take all reasonable
9 steps to ensure that certified minority- and women-owned and
10 operated accounting firms, and accounting firms owned and operated
11 by persons with disabilities participate in the audits of the
12 books, accounts, and financial affairs of each principal executive
13 department, branch, institution, agency, and office of this state.

14 (2) The auditor general shall strongly encourage firms with
15 which the auditor general contracts to perform audits of the
16 principal executive departments and state agencies to subcontract
17 with certified minority- and women-owned and operated accounting
18 firms, and accounting firms owned and operated by persons with
19 disabilities.

20 (3) The auditor general shall compile an annual report
21 regarding the number of contracts entered into with certified
22 minority- and women-owned and operated accounting firms, and
23 accounting firms owned and operated by persons with disabilities.
24 The auditor general shall deliver the report to the state budget
25 director and the senate and house of representatives standing
26 committees on appropriations subcommittees on general government by

1 November 1 of each year.

2 Sec. 622. From the funds appropriated in part 1 to the
3 legislative auditor general, the auditor general's salary and the
4 salaries of the remaining 2.0 FTE unclassified positions shall be
5 set by the speaker of the house of representatives, the senate
6 majority leader, the house of representatives minority leader, and
7 the senate minority leader.

8 Sec. 623. Any audits, reviews, or investigations requested of
9 the auditor general by the legislature or by legislative
10 leadership, legislative committees, or individual legislators shall
11 include an estimate of the additional costs involved and, when
12 those costs exceed \$50,000.00, should provide supplemental funding.
13 The auditor general shall determine whether to perform those
14 activities in keeping with Audit Directive No. 29, which describes
15 the office of the auditor general's policy on responding to
16 legislative requests.

17 **DEPARTMENT OF STATE**

18 Sec. 701. (1) In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$2,000,000.00 for
20 federal contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in part 1 under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$7,500,000.00 for state
26 restricted contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in part 1 under section 393(2) of the management and budget act,
3 1984 PA 431, MCL 18.1393.

4 (3) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$50,000.00 for local
6 contingency funds. These funds are not available for expenditure
7 until they have been transferred to another line item in part 1
8 under section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

10 (4) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$100,000.00 for private
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in part 1
14 under section 393(2) of the management and budget act, 1984 PA 431,
15 MCL 18.1393.

16 Sec. 703. From the funds appropriated in part 1, the
17 department of state shall sell copies of records including, but not
18 limited to, records of motor vehicles, off-road vehicles,
19 snowmobiles, watercraft, mobile homes, personal identification
20 cardholders, drivers, and boat operators and shall charge \$11.00
21 per record sold only as authorized in section 208b of the Michigan
22 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
23 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
24 natural resources and environmental protection act, 1994 PA 451,
25 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
26 received from the sale of records shall be credited to the
27 transportation administration collection fund created under section

1 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The
2 department of state shall provide quarterly reports to the
3 legislature and the senate and house fiscal agencies. The report
4 shall be provided within 15 days of the close of the quarter and
5 shall include the number of records sold and the revenues
6 collected.

7 Sec. 704. From the funds appropriated in part 1, the secretary
8 of state may enter into agreements with the department of
9 corrections for the manufacture of vehicle registration plates 15
10 months before the registration year in which the registration
11 plates will be used.

12 Sec. 705. (1) The department of state may accept gifts,
13 donations, contributions, and grants of money and other property
14 from any private or public source to underwrite, in whole or in
15 part, the cost of a departmental publication that is prepared and
16 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
17 257.1 to 257.923. A private or public funding source may receive
18 written recognition in the publication and may furnish a traffic
19 safety message, subject to departmental approval, for inclusion in
20 the publication. The department may reject a gift, donation,
21 contribution, or grant. The department may furnish copies of a
22 publication underwritten, in whole or in part, by a private source
23 to the underwriter at no charge.

24 (2) The department of state may sell and accept paid
25 advertising for placement in a departmental publication that is
26 prepared and disseminated under the Michigan vehicle code, 1949 PA
27 300, MCL 257.1 to 257.923. The department may charge and receive a

1 fee for any advertisement appearing in a departmental publication
2 and shall review and approve the content of each advertisement. The
3 department may refuse to accept advertising from any person or
4 organization. The department may furnish a reasonable number of
5 copies of a publication to an advertiser at no charge.

6 (3) Pending expenditure, the funds received under this section
7 shall be deposited in the Michigan department of state publications
8 fund created by section 211 of the Michigan vehicle code, 1949 PA
9 300, MCL 257.211. Funds given, donated, or contributed to the
10 department from a private source are appropriated and allocated for
11 the purpose for which the revenue is furnished. Funds granted to
12 the department from a public source are allocated and may be
13 expended upon receipt. The department shall not accept a gift,
14 donation, contribution, or grant if receipt is conditioned upon a
15 commitment of state funding at a future date. Revenue received from
16 the sale of advertising is appropriated and may be expended upon
17 receipt.

18 (4) Any unexpended revenues received under this section shall
19 be carried over into subsequent fiscal years and shall be available
20 for appropriation for the purposes described in this section.

21 (5) On March 1 of each year, the department of state shall
22 file a report with the senate and house of representatives standing
23 committees on appropriations, the senate and house fiscal agencies,
24 and the state budget director. The report shall include all of the
25 following information:

26 (a) The amount of gifts, contributions, donations, and grants
27 of money received by the department under this section for the

1 prior fiscal year.

2 (b) A listing of the expenditures made from the amounts
3 received by the department as reported in subdivision (a).

4 (c) A listing of any gift, donation, contribution, or grant of
5 property other than funding received by the department under this
6 section for the prior year.

7 (d) The total revenue received from the sale of paid
8 advertising accepted under this section and a statement of the
9 total number of advertising transactions.

10 (6) In addition to copies delivered without charge as the
11 secretary of state considers necessary, the department of state may
12 sell copies of manuals and other publications regarding the sale,
13 ownership, or operation or regulation of motor vehicles, with
14 amendments, at prices to be established by the secretary of state.
15 As used in this subsection, the term "manuals and other
16 publications" includes videos and proprietary electronic
17 publications. All funds received from sales of these manuals and
18 other publications shall be credited to the Michigan department of
19 state publications fund.

20 Sec. 707. Funds collected by the department of state under
21 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
22 are appropriated for all expenses necessary to provide for the
23 costs of the publication. Funds are allotted for expenditure when
24 they are received by the department of treasury and shall not lapse
25 to the general fund at the end of the fiscal year.

26 Sec. 708. From the funds appropriated in part 1, the
27 department of state shall use available balances at the end of the

1 state fiscal year to provide payment to the department of state
2 police in the amount of \$332,000.00 for the services provided by
3 the traffic accident records program as first appropriated in 1990
4 PA 196 and 1990 PA 208.

5 Sec. 709. From the funds appropriated in part 1, the
6 department of state may restrict funds from miscellaneous revenue
7 to cover cash shortages created from normal branch office
8 operations. This amount shall not exceed \$50,000.00 of the total
9 funds available in miscellaneous revenue.

10 Sec. 710. (1) Commemorative and specialty license plate fee
11 revenue collected by the department of state and deposited into the
12 transportation administration collection fund created in section
13 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is
14 authorized for expenditure up to the amount of revenue collected
15 but not to exceed the amount appropriated to the department of
16 state in part 1 to administer commemorative and specialty license
17 plate programs.

18 (2) Commemorative and specialty license plate fee revenue
19 collected by the department of state and deposited in the
20 transportation administration collection fund created in section
21 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in
22 addition to the amount appropriated in part 1 to the department of
23 state, shall remain in the transportation administration collection
24 fund created in section 810b of the Michigan vehicle code, 1949 PA
25 300, MCL 257.810b, and be available for future appropriation.

26 Sec. 711. Collector plate and fund-raising registration plate
27 revenues collected by the department of state are appropriated and

1 allotted for distribution to the recipient university or public or
2 private agency overseeing a state-sponsored goal when received.
3 Distributions shall occur on a quarterly basis or as otherwise
4 authorized by law. Any revenues remaining at the end of the fiscal
5 year shall not lapse to the general fund but shall remain available
6 for distribution to the university or agency in the next fiscal
7 year.

8 Sec. 712. The department of state may produce and sell copies
9 of a training video designed to inform registered automotive repair
10 facilities of their obligations under Michigan law. The price shall
11 not exceed the cost of production and distribution. The money
12 received from the sale of training videos shall revert to the
13 department of state and be placed in the auto repair facility
14 account.

15 Sec. 713. (1) The department of state, in collaboration with
16 the gift of life transplantation society or its successor federally
17 designated organ procurement organization, may develop and
18 administer a public information campaign concerning the Michigan
19 organ donor program.

20 (2) The department of state may solicit funds from any private
21 or public source to underwrite, in whole or in part, the public
22 information campaign authorized by this section. The department may
23 accept gifts, donations, contributions, and grants of money and
24 other property from private and public sources for this purpose. A
25 private or public funding source underwriting the public
26 information campaign, in whole or in substantial part, shall
27 receive sponsorship credit for its financial backing.

1 (3) Funds received under this section, including grants from
2 state and federal agencies, shall not lapse to the general fund at
3 the end of the fiscal year but shall remain available for
4 expenditure for the purposes described in this section.

5 (4) Funding appropriated in part 1 for the organ donor program
6 shall be used for producing a pamphlet to be distributed with
7 driver licenses and personal identification cards regarding organ
8 donations. The funds shall be used to update and print a pamphlet
9 that will explain the organ donor program and encourage people to
10 become donors by marking a checkoff on driver license and personal
11 identification card applications.

12 (5) The pamphlet shall include a return reply form addressed
13 to the gift of life organization. Funding appropriated in part 1
14 for the organ donor program shall be used to pay for return postage
15 costs.

16 (6) In addition to the appropriations in part 1, the
17 department of state may receive and expend funds from the organ and
18 tissue donation education fund for administrative expenses.

19 Sec. 714. (1) Except as otherwise provided under subsection
20 (2), at least 180 days before closing a branch office or
21 consolidating a branch office and at least 60 days before
22 relocating a branch office, the department of state shall inform
23 members of the senate and house of representatives standing
24 committees on appropriations and legislators who represent affected
25 areas regarding the details of the proposal. The information
26 provided shall be in written form and include all analyses done
27 regarding criteria for changes in the location of branch offices,

1 including, but not limited to, branch transactions, revenue, and
2 the impact on citizens of the affected area. The impact on citizens
3 shall include information regarding additional distance to branch
4 office locations resulting from the plan. The written notice
5 provided by the department of state shall also include detailed
6 estimates of costs and savings that will result from the overall
7 changes made to the branch office structure and the same level of
8 detail regarding costs for new leased facilities and expansions of
9 current leased space.

10 (2) If the consolidation of a branch office is with another
11 branch office that is located within the same local unit of
12 government or the relocation of a branch office is to another
13 location that is located within the same local unit of government,
14 the department of state is not required to provide the notification
15 or written information described in subsection (1).

16 (3) As used in this section, "local unit of government" means
17 a city, village, township, or county.

18 Sec. 715. (1) Any service assessment collected by the
19 department of state from the user of a credit or debit card under
20 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
21 for necessary expenses related to that service and may be remitted
22 to a credit or debit card company, bank, or other financial
23 institution.

24 (2) The service assessment imposed by the department of state
25 for credit and debit card services may be based either on a
26 percentage of each individual credit or debit card transaction, or
27 on a flat rate per transaction, or both, scaled to the amount of

1 the transaction. However, the department shall not charge any
2 amount for a service assessment which exceeds the costs billable to
3 the department for service assessments.

4 (3) If there is a balance of service assessments received from
5 credit and debit card services remaining on September 30, the
6 balance may be carried forward to the following fiscal year and
7 appropriated for the same purpose.

8 (4) As used in this section, "service assessment" means and
9 includes costs associated with service fees imposed by credit and
10 debit card companies and processing fees imposed by banks and other
11 financial institutions.

12 Sec. 716b. The department of state shall provide a report that
13 calculates the total amount of funds expended for the business
14 application modernization project to date from the inception of the
15 program. The report shall contain information on the original start
16 and completion dates for the project, the original cost to complete
17 the project, and a listing of all revisions to project completion
18 dates and costs. The report shall include the total amount of funds
19 paid to the state by the contract provider for penalties. The
20 report shall be submitted to the senate and house of
21 representatives standing committees on appropriations, the senate
22 and house fiscal agencies, and the state budget director by January
23 1.

24 Sec. 717. (1) The department of state may accept nonmonetary
25 gifts, donations, or contributions of property from any private or
26 public source to support, in whole or in part, the operation of a
27 departmental function relating to licensing, regulation, or safety.

1 The department may recognize a private or public contributor for
2 making the contribution. The department may reject a gift,
3 donation, or contribution.

4 (2) The department of state shall not accept a gift, donation,
5 or contribution under subsection (1) if receipt of the gift,
6 donation, or contribution is conditioned upon a commitment of
7 future state funding.

8 (3) On March 1 of each year, the department of state shall
9 file a report with the senate and house of representatives standing
10 committees on appropriations, the senate and house fiscal agencies,
11 and the state budget director. The report shall list any gift,
12 donation, or contribution received by the department under
13 subsection (1) for the prior calendar year.

14 Sec. 718. From the funds appropriated in part 1 to the
15 department of state, branch operations, the department shall
16 maintain a full service secretary of state branch office in Buena
17 Vista Township.

18 Sec. 721. From the funds appropriated in part 1, the
19 department of state may collect ATM commission fees from companies
20 that have ATMs located in secretary of state branch offices. The
21 commission received from the use of these ATMs shall be credited to
22 the transportation administration collection fund created under
23 section 810b of the Michigan vehicle code, 1949 PA 300, MCL
24 257.810b.

25 Sec. 722. (1) From the increased funds appropriated in part 1
26 for information technology services and projects, the department of
27 state shall establish a legacy modernization project beginning in

1 the current fiscal year. The purpose of this program expansion is
2 modernization of the entire system and removal of existing programs
3 from the legacy mainframes.

4 (2) The department of state shall provide a report on the
5 status of the legacy modernization project that includes, but is
6 not limited to, itemization of all expenditures made on behalf of
7 the project, anticipated completion date of the project, time frame
8 of each phase of the project, the cost of the project, the number
9 of employees assigned to implement each phase of the project, the
10 contracts entered into for the project, anticipated overall cost of
11 the project, and any other information the department considers
12 necessary. The plan shall be distributed to the senate and house of
13 representatives standing committees on appropriations subcommittees
14 on general government, as well as the senate and house fiscal
15 agencies, and the state budget director by January 1.

16 Sec. 723. From the increased funds appropriated in part 1 for
17 elections administration and services, the department of state
18 shall establish funding available for the replacement of voting
19 machines. The purpose of this program expansion is replacement of
20 existing voting machines in the local jurisdictions.

21 Sec. 725. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2017 are \$31,874,100.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$17,673,400.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$14,200,700.00.

1 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

2 Sec. 801. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$4,000,000.00 for
4 federal contingency funds. These funds are not available for
5 expenditure until they have been transferred to another line item
6 in part 1 under section 393(2) of the management and budget act,
7 1984 PA 431, MCL 18.1393.

8 (2) In addition to the funds appropriated in part 1, there is
9 appropriated an amount not to exceed \$8,000,000.00 for state
10 restricted contingency funds. These funds are not available for
11 expenditure until they have been transferred to another line item
12 in part 1 under section 393(2) of the management and budget act,
13 1984 PA 431, MCL 18.1393.

14 (3) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$150,000.00 for local
16 contingency funds. These funds are not available for expenditure
17 until they have been transferred to another line item in part 1
18 under section 393(2) of the management and budget act, 1984 PA 431,
19 MCL 18.1393.

20 (4) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$100,000.00 for private
22 contingency funds. These funds are not available for expenditure
23 until they have been transferred to another line item in part 1
24 under section 393(2) of the management and budget act, 1984 PA 431,
25 MCL 18.1393.

26 Sec. 802. Proceeds in excess of necessary costs incurred in
27 the conduct of transfers or auctions of state surplus, salvage, or

1 scrap property made pursuant to section 267 of the management and
2 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
3 department of technology, management, and budget to offset costs
4 incurred in the acquisition and distribution of federal surplus
5 property. The department of technology, management, and budget
6 shall provide consolidated Internet auction services through the
7 state's contractors for all local units of government.

8 Sec. 803. (1) The department of technology, management, and
9 budget may receive and expend funds in addition to those authorized
10 by part 1 for maintenance and operation services provided
11 specifically to other principal executive departments or state
12 agencies, the legislative branch, the judicial branch, or private
13 tenants, or provided in connection with facilities transferred to
14 the operational jurisdiction of the department of technology,
15 management, and budget.

16 (2) The department of technology, management, and budget may
17 receive and expend funds in addition to those authorized by part 1
18 for real estate, architectural, design, and engineering services
19 provided specifically to other principal executive departments or
20 state agencies, the legislative branch, the judicial branch, or
21 private tenants.

22 (3) The department of technology, management, and budget may
23 receive and expend funds in addition to those authorized in part 1
24 for mail pickup and delivery services provided specifically to
25 other principal executive departments and state agencies, the
26 legislative branch, or the judicial branch.

27 (4) The department of technology, management, and budget may

1 receive and expend funds in addition to those authorized in part 1
2 for purchasing services provided specifically to other principal
3 executive departments and state agencies, the legislative branch,
4 or the judicial branch.

5 Sec. 804. (1) The source of financing in part 1 for statewide
6 appropriations shall be funded by assessments against longevity and
7 insurance appropriations throughout state government in a manner
8 prescribed by the department of technology, management, and budget.
9 Funds shall be used as specified in joint labor/management
10 agreements or through the coordinated compensation hearings
11 process. Any deposits made under this subsection and any
12 unencumbered funds are restricted revenues, may be carried over
13 into the succeeding fiscal years, and are appropriated.

14 (2) In addition to the funds appropriated in part 1 for
15 statewide appropriations, the department of technology, management,
16 and budget may receive and expend funds in such additional amounts
17 as may be specified in joint labor/management agreements or through
18 the coordinated compensation hearings process in the same manner
19 and subject to the same conditions as prescribed in subsection (1).

20 Sec. 805. To the extent a specific appropriation is required
21 for a detailed source of financing included in part 1 for the
22 department of technology, management, and budget appropriations
23 financed from special revenue and internal service and pension
24 trust funds, or MAIN user charges, the specific amounts are
25 appropriated within the special revenue internal service and
26 pension trust funds in portions not to exceed the aggregate amount
27 appropriated in part 1.

1 Sec. 806. In addition to the funds appropriated in part 1 to
2 the department of technology, management, and budget, the
3 department may receive and expend funds from other principal
4 executive departments and state agencies to implement
5 administrative leave bank transfer provisions as may be specified
6 in joint labor/management agreements. The amounts may also be
7 transferred to other principal executive departments and state
8 agencies under the joint agreement and any amounts transferred
9 under the joint agreement are authorized for receipt and
10 expenditure by the receiving principal executive department or
11 state agency. Any amounts received by the department of technology,
12 management, and budget under this section and intended, under the
13 joint labor/management agreements, to be available for use beyond
14 the close of the fiscal year and any unencumbered funds may be
15 carried over into the succeeding fiscal year.

16 Sec. 807. The source of financing in part 1 for the Michigan
17 administrative information network shall be funded by proportionate
18 charges assessed against the respective state funds benefiting from
19 this project in the amounts determined by the department.

20 Sec. 808. (1) Deposits against the interdepartmental grant
21 from building occupancy and parking charges appropriated in part 1
22 shall be collected, in part, from state agencies, the legislative
23 branch, and the judicial branch based on estimated costs associated
24 with maintenance and operation of buildings managed by the
25 department of technology, management, and budget. To the extent
26 excess revenues are collected due to estimates of building
27 occupancy charges exceeding actual costs, the excess revenues may

1 be carried forward into succeeding fiscal years for the purpose of
2 returning funds to state agencies.

3 (2) Appropriations in part 1 to the department of technology,
4 management, and budget, for management and budget services from
5 building occupancy charges and parking charges, may be increased to
6 return excess revenue collected to state agencies.

7 Sec. 809. On a quarterly basis, the department of technology,
8 management, and budget shall notify the chairpersons of the senate
9 and house of representatives standing committees on appropriations,
10 the chairpersons of the senate and house of representatives
11 standing committees on appropriations subcommittees on general
12 government, the house and senate fiscal agencies, and the state
13 budget director on any revisions that increase or decrease current
14 contracts by more than \$500,000.00 for computer software
15 development, hardware acquisition, or quality assurance.

16 Sec. 810. The department of technology, management, and budget
17 shall maintain an Internet website that contains notice of all
18 invitations for bids and requests for proposals over \$50,000.00
19 issued by the department or by any state agency operating under
20 delegated authority. The department shall not accept an invitation
21 for bid or request for proposal in less than 14 days after the
22 notice is made available on the Internet website, except in
23 situations where it would be in the best interest of the state and
24 documented by the department. In addition to the requirements of
25 this section, the department may advertise the invitations for bids
26 and requests for proposals in any manner the department determines
27 appropriate, in order to give the greatest number of individuals

1 and businesses the opportunity to make bids or requests for
2 proposals.

3 Sec. 811. The department of technology, management, and budget
4 may receive and expend funds from the Vietnam veterans memorial
5 monument fund as provided in the Michigan Vietnam veterans memorial
6 act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated
7 and allocated when received and may be expended upon receipt.

8 Sec. 812. The Michigan veterans' memorial park commission may
9 receive and expend money from any source, public or private,
10 including, but not limited to, gifts, grants, donations of money,
11 and government appropriations, for the purposes described in
12 Executive Order No. 2001-10. Funds are appropriated and allocated
13 when received and may be expended upon receipt. Any deposits made
14 under this section and unencumbered funds are restricted revenues
15 and may be carried over into succeeding fiscal years.

16 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
17 appropriated to the department of technology, management, and
18 budget for administration and for the acquisition, lease,
19 operation, maintenance, repair, replacement, and disposal of state
20 motor vehicles.

21 (2) The appropriation in part 1 for motor vehicle fleet shall
22 be funded by revenue from rates charged to principal executive
23 departments and agencies for utilizing vehicle travel services
24 provided by the department. Revenue in excess of the amount
25 appropriated in part 1 from the motor transport fund and any
26 unencumbered funds are restricted revenues and may be carried over
27 into the succeeding fiscal year.

1 (3) Pursuant to the department of technology, management, and
2 budget's authority under sections 213 and 215 of the management and
3 budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department
4 shall maintain a plan regarding the operation of the motor vehicle
5 fleet. The plan shall include the number of vehicles assigned to,
6 or authorized for use by, state departments and agencies, efforts
7 to reduce travel expenditures, the number of cars in the motor
8 vehicle fleet, the number of miles driven by fleet vehicles, and
9 the number of gallons of fuel consumed by fleet vehicles. The plan
10 shall include a calculation of the amount of state motor vehicle
11 fuel taxes that would have been incurred by fleet vehicles if fleet
12 vehicles were required by law to pay motor fuel taxes. The plan
13 shall include a description of fleet garage operations, the goods
14 sold and services provided by the fleet garage, the cost to operate
15 the fleet garage, the number of fleet garage locations, and the
16 number of employees assigned to each fleet garage. The plan may be
17 adjusted during the fiscal year based on needs and cost savings to
18 achieve the maximum value and efficiency from the state motor
19 fleet. Within 60 days after the close of the fiscal year, the
20 department shall provide a report to the senate and house of
21 representatives standing committees on appropriations, the senate
22 and house fiscal agencies, and the state budget director detailing
23 the current plan and changes made to the plan during the fiscal
24 year.

25 (4) The department of technology, management, and budget may
26 charge state agencies for fuel cost increases that exceed \$3.04 per
27 gallon of unleaded gasoline. The department shall notify state

1 agencies, in writing or by electronic mail, at least 30 days before
2 implementing additional charges for fuel cost increases. Revenues
3 received from these charges are appropriated upon receipt.

4 (5) The state budget director, upon notification to the senate
5 and house of representatives standing committees on appropriations,
6 may adjust spending authorization and the IDG from motor transport
7 fund in the department of technology, management, and budget in
8 order to ensure that the appropriations for motor vehicle fleet in
9 the department budget equal the expenditures for motor vehicle
10 fleet in the budgets for all executive branch agencies.

11 Sec. 814. The department of technology, management, and budget
12 shall develop a plan regarding the use of the funds appropriated in
13 part 1 for the enterprisewide information technology investment
14 projects. The plan shall include, but not be limited to, a
15 description of proposed information technology investment projects,
16 the time frame for completion of the information technology
17 investment projects, the proposed cost of the information
18 technology investment projects, the number of employees assigned to
19 implement each information technology investment project, the
20 contracts entered into for each information technology investment
21 project, and any other information the department deems necessary.
22 The plan shall be distributed to the senate and house of
23 representatives standing committees on appropriations subcommittees
24 on general government, as well as the senate and house fiscal
25 agencies, and the state budget director on a quarterly basis. The
26 submitted plan shall also include anticipated spending reductions
27 or overages for each of the proposed information technology

1 investment projects. The department of technology, management, and
2 budget shall notify the senate and house of representatives
3 standing committees on appropriations subcommittees on general
4 government, the senate and house fiscal agencies, and the state
5 budget director when a project funded under an information
6 technology investment project line item in part 1 is expected to
7 require a transfer of dollars from another project in excess of
8 \$500,000.00.

9 Sec. 814a. The funds appropriated in part 1 for information
10 technology investment projects shall be used for the modernization
11 of state information technology systems, improvement of the state's
12 cyber security framework, and to achieve efficiencies.

13 Sec. 816. An RFP issued for the purpose of privatization shall
14 include all factors used in evaluating and determining price.

15 Sec. 818. In addition to the funds appropriated in part 1, the
16 department of technology, management, and budget may receive and
17 expend money from the Michigan law enforcement officers memorial
18 monument fund as provided in the Michigan law enforcement officers
19 memorial act, 2004 PA 177, MCL 28.781 to 28.787.

20 Sec. 820. The department shall make available to the public a
21 list of all parcels of real property owned by the state that are
22 available for purchase. The list shall be posted on the Internet
23 through the department's website.

24 Sec. 821. The department of technology, management, and budget
25 shall annually update the office space consolidation project plan,
26 including the use of the funds appropriated pursuant to
27 2012 PA 200 for the space consolidation fund. By February 15, the

1 department shall report to the senate and house of representatives
2 committees on appropriations subcommittees on general government
3 and the senate and house fiscal agencies on the revised plan and
4 plan implementation. The report shall include, but is not limited
5 to, the description of the proposed office space to be
6 consolidated, the time frame for completion of the office space
7 consolidation, the proposed itemized cost of the office space
8 consolidation, the number of employees assigned to implement the
9 office space consolidation, the contracts entered into for the
10 office space consolidation, information on completed projects,
11 anticipated savings, savings achieved, and any other information
12 the department deems necessary.

13 Sec. 822. The department of technology, management, and budget
14 shall compile a report by January 1 pertaining to the salaries of
15 unclassified employees, as well as gubernatorial appointees, within
16 all state departments and agencies. The report shall enumerate each
17 unclassified employee and gubernatorial appointee and his or her
18 annual salary individually. The report shall be distributed to the
19 chairs of the senate and house of representatives standing
20 committees on appropriations subcommittees on general government,
21 as well as the senate and house fiscal agencies and be made
22 available electronically.

23 Sec. 822b. (1) A public-private partnership investment fund is
24 created in MDTMB. Subject to subsections (2) and (3), public-
25 private partnership investments shall include, but are not limited
26 to, all of the following:

27 (a) Capital asset improvements including buildings, land, or

1 structures.

2 (b) Energy resource exploration, extraction, generation, and
3 sales.

4 (c) Financial and investment incentive opportunities.

5 (d) Infrastructure construction, maintenance, and operation.

6 (e) Public-private sector joint ventures that provide economic
7 benefit to an area or to the state.

8 (2) Public-private investments shall not include projects,
9 consultant expenses, staff effort, or any other activity related to
10 the development, financing, construction, operation, or
11 implementation of the Detroit River International Crossing or any
12 successor project unless the project is approved by the legislature
13 and signed into law.

14 (3) The state budget director shall determine whether or not a
15 specific public-private partnership investment opportunity
16 qualifies for funding under subsection (1).

17 (4) Investment development revenue, including a portion of the
18 proceeds from the sale of any public-private partnership investment
19 designated in subsection (1), shall be deposited into the fund
20 created in subsection (1) and shall be available for
21 administration, development, financing, marketing, and operating
22 expenditures associated with public-private partnerships, unless
23 otherwise provided by law. Public-private partnership investments
24 authorized in subsection (1) are authorized for public or private
25 operation or sale consistent with state law. Expenditures from the
26 fund are authorized for investment purposes as designated in
27 subsection (1) to enhance the marketable value of each investment.

1 The unencumbered balance remaining in the fund at the end of the
2 fiscal year may be carried forward for appropriation in future
3 years.

4 (5) An annual report shall be transmitted to the senate and
5 house of representatives standing committees on appropriations, the
6 senate and house fiscal agencies, and the state budget office not
7 later than December 31 of each year. This report shall detail both
8 of the following:

9 (a) The revenue and expenditure activity in the fund for the
10 preceding fiscal year.

11 (b) Public-private partnership investments as identified under
12 subsection (1).

13 (6) MDTMB shall monitor the revenue deposited in the public-
14 private partnership investment fund created in subsection (1). If
15 the revenue in the fund is insufficient to pay the amount
16 appropriated in part 1 for public-private partnership investment,
17 then MDTMB shall propose a legislative transfer to fund the line
18 from the appropriations in part 1.

19 Sec. 822c. The funds appropriated in part 1 shall not be used
20 to support any staff effort, projects, consultant expenses, or any
21 other activity related to the development, financing, construction,
22 operation, or implementation of the Detroit River International
23 Crossing or any successor project unless the project is approved by
24 the legislature and signed into law.

25 Sec. 822d. By December 31, the department shall provide a
26 report to the senate and house appropriations subcommittees on
27 general government and the senate and house fiscal agencies that

1 identifies fee and rate schedules to be used by state departments
2 and agencies for services, including information technology,
3 provided by the department during fiscal year 2016-2017. The report
4 shall also identify changes from fees and rates charged in fiscal
5 year 2015-2016 and include an explanation of the factors that
6 justify each fee and rate increase.

7 Sec. 822e. Total authorized appropriations from all sources
8 under part 1 for legacy costs for the fiscal year ending September
9 30, 2017 are \$78,962,000.00. From this amount, total agency
10 appropriations for pension-related legacy costs are estimated at
11 \$43,795,600.00. Total agency appropriations for retiree health care
12 legacy costs are estimated at \$35,166,400.00.

13 Sec. 822f. (1) The funds appropriated in part 1 for the
14 regional prosperity initiative are to be used as competitive grants
15 to eligible regional planning organizations qualifying for funding
16 as a regional prosperity collaborative, a regional prosperity
17 council, or a regional prosperity board. A regional planning
18 organization may not qualify for funding under more than 1 category
19 in the same state fiscal year. As used in this section:

20 (a) "Eligible regional planning organization" means any of the
21 following:

22 (i) An existing regional planning commission created pursuant
23 to 1945 PA 281, MCL 125.11 to 125.25.

24 (ii) An existing regional economic development commission
25 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

26 (iii) An existing metropolitan area council formed pursuant to
27 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

1 (iv) A Michigan metropolitan planning organization established
2 pursuant to the moving ahead for progress in the 21st century act,
3 Public Law 112-141.

4 (b) "Freedom of information act" means the freedom of
5 information act, 5 USC 552.

6 (c) "Open meetings act" means the open meetings act, 1976 PA
7 267, MCL 15.261 to 15.275.

8 (d) "Regional prosperity board" means a regional body that has
9 a singular governing board with representation from private,
10 public, and nonprofit entities engaged in joint decision-making
11 practices for the purpose of creating or maintaining a phase three:
12 regional prosperity plan.

13 (e) "Regional prosperity collaborative" means any committee
14 developed by a regional planning organization or a metropolitan
15 planning organization that serves to bring organizational
16 representation together from private, public, and nonprofit
17 entities within a region for the purpose of creating or maintaining
18 a phase one: regional prosperity plan.

19 (f) "Regional prosperity council" means a regional body with
20 representation from private, public, and nonprofit entities with
21 shared administrative services and an executive governing entity,
22 as demonstrated by a formal local agreement or agreements for the
23 purpose of creating or maintaining a phase two: regional prosperity
24 plan.

25 (2) Regional planning organizations may qualify to receive not
26 more than \$250,000.00 of incentive-based funding as a regional
27 prosperity collaborative subject to meeting all of the following

1 requirements:

2 (a) The regional prosperity collaborative has created a phase
3 one: regional prosperity plan, as follows:

4 (i) The regional prosperity collaborative must include
5 regional representatives from adult education, workforce
6 development, community development, economic development,
7 transportation, and higher education organizations.

8 (ii) The plan is required, at a minimum, to include a 5-year
9 plan focused on economic growth and vitality for the region, as
10 well as a performance dashboard and measurable annual goals to
11 support the 5-year plan.

12 (iii) The 5-year plan shall address regional strategies
13 related to adult education, workforce development, economic
14 development, transportation, higher education, and business
15 development.

16 (iv) The regional prosperity collaborative shall adopt the
17 plan by a minimum 2/3 majority vote of its members.

18 (b) The regional prosperity collaborative adheres to
19 accountability and transparency measures required in the open
20 meetings act and the freedom of information act.

21 (c) The regional prosperity collaborative convenes monthly
22 meetings, open to the public, to consider and discuss issues
23 leading to a common vision of economic prosperity for the region,
24 including, but not limited to, community development, economic
25 development, talent, and infrastructure opportunities.

26 (d) The regional prosperity collaborative makes available on
27 the grant recipient's publicly accessible Internet site pertinent

1 documents, including, but not limited to, monthly meeting agendas,
2 minutes of monthly meetings, voting records, and the regional
3 prosperity plan and performance dashboard.

4 (e) The regional prosperity collaborative keeps a status
5 report detailing the spending associated with previous regional
6 prosperity initiative grants. Organizations that have successfully
7 received grant awards in previous fiscal years shall be required to
8 make available to the department and on a publicly accessible
9 Internet site information regarding the use of those grant dollars.

10 (3) Regional planning organizations eligible to receive a
11 payment as a regional prosperity collaborative under subsection (2)
12 may qualify to receive a 1-time grant of not more than \$75,000.00
13 to produce a plan to transform the regional prosperity
14 collaborative into a regional prosperity council or regional
15 prosperity board, including necessary local formal agreements, to
16 make recommendations that eliminate duplicative efforts and
17 administrative functions, and to leverage resources through
18 cooperation, collaboration, and consolidations of organizations or
19 programs throughout the region. Plans produced to transform the
20 regional prosperity collaborative into a regional prosperity
21 council or regional prosperity board shall be made available on the
22 grant recipient's publicly accessible Internet site.

23 (4) Regional planning organizations may qualify to receive not
24 more than \$375,000.00 of incentive-based funding as a regional
25 prosperity council subject to meeting all of the following
26 requirements:

27 (a) A regional prosperity council has been formed and includes

1 regional representatives from adult education, workforce
2 development, community development, economic development,
3 transportation, and higher education organizations.

4 (b) An eligible regional prosperity council will demonstrate
5 shared administrative services between 2 public regional entities
6 included in subdivision (a). In addition, the council must have and
7 maintain an executive governing entity, as demonstrated by a formal
8 local agreement or agreements.

9 (c) The regional prosperity council has created a phase two:
10 regional prosperity plan, as follows:

11 (i) The regional prosperity council shall identify
12 opportunities for shared administrative services and decision-
13 making among the private, public, and nonprofit entities within the
14 region and shall continue collaboration with regional prosperity
15 council members, including, but not limited to, representatives
16 from adult education providers, workforce development agencies,
17 community development agencies, economic development agencies,
18 transportation service providers, and higher education
19 institutions.

20 (ii) The plan is required to include, but is not limited to,
21 all of the following:

22 (A) A status report of the approved 5-year plan.

23 (B) The addition of a 10-year plan for the region which builds
24 upon prior work and is focused on economic growth and vitality in
25 the region.

26 (C) A prioritized list of regional projects.

27 (D) A performance dashboard with measurable annual goals.

1 (iii) The regional prosperity council shall adopt the plan by
2 a minimum 2/3 vote of its members.

3 (d) The regional prosperity council adheres to accountability
4 and transparency measures required in the open meetings act and the
5 freedom of information act.

6 (e) The regional prosperity council convenes monthly meetings,
7 open to the public, to consider and discuss issues leading to a
8 common vision of economic prosperity for the region, including, but
9 not limited to, community development, economic development,
10 talent, and infrastructure opportunities.

11 (f) The regional prosperity council makes available on the
12 grant recipient's publicly accessible Internet site pertinent
13 documents, including, but not limited to, monthly meeting agendas,
14 minutes of monthly meetings, voting records, and the regional
15 prosperity plan and performance dashboard.

16 (g) The regional prosperity council keeps a status report
17 detailing the spending associated with previous regional prosperity
18 initiative grants. Organizations that have successfully received
19 grant awards in previous fiscal years shall be required to make
20 available to the department and on a publicly accessible Internet
21 site information regarding the use of those grant dollars.

22 (5) Regional planning organizations eligible to receive a
23 payment as a regional prosperity council under subsection (4) may
24 qualify to receive a 1-time grant of not more than \$75,000.00 to
25 produce a plan to transform the regional prosperity council into a
26 regional prosperity board, including a singular private/public
27 governance structure that comports with federal guidelines for

1 governance under the workforce investment act, Public Law 105-220,
2 the moving ahead for progress in the 21st century act, Public Law
3 112-141, the economic development administration and Appalachian
4 regional development reform act of 1998, Public Law 105-393, and
5 recommendations to eliminate duplicative efforts, administrative
6 functions, and leverage resources through cooperation,
7 collaboration, and consolidations of organizations or programs
8 throughout the region.

9 (6) Regional planning organizations may qualify to receive not
10 more than \$500,000.00 of incentive-based funding as a regional
11 prosperity board subject to meeting all of the following
12 requirements:

13 (a) The regional prosperity board has been formed and, at a
14 minimum, must demonstrate the consolidation of a regional
15 metropolitan planning organization, where one exists, state
16 designated regional planning agency boards, workforce development
17 boards, and federally designated regional economic development
18 districts within a region.

19 (b) The regional prosperity board has created a phase three:
20 regional prosperity plan, as follows:

21 (i) The regional prosperity board shall create a regional
22 services recommendations report prioritizing the list of state-
23 funded services and programs provided to the region, and
24 recommendations for state-regional partnerships to support the
25 adopted regional prosperity plan.

26 (ii) The plan is required to include a status report of the
27 approved 10-year plan for the creation of an updated regional

1 prosperity plan.

2 (iii) The regional prosperity board shall adopt the plan by a
3 minimum 2/3 vote of its members.

4 (c) The regional prosperity board adheres to accountability
5 and transparency measures required in the open meetings act and the
6 freedom of information act.

7 (d) The regional prosperity board convenes monthly meetings,
8 open to the public, to consider and discuss issues leading to a
9 common vision of economic prosperity for the region, including, but
10 not limited to, community development, economic development,
11 talent, and infrastructure opportunities.

12 (e) The regional prosperity board makes available on the grant
13 recipient's publicly accessible Internet site pertinent documents,
14 including, but not limited to, monthly meeting agendas, minutes of
15 monthly meetings, voting records, and the regional prosperity plan
16 and performance dashboard.

17 (7) Regional planning organizations eligible to receive a
18 payment as a regional prosperity board under subsection (6) may
19 qualify to receive not more than \$125,000.00, to implement the
20 prioritized regional prosperity plan projects.

21 (8) Regional planning organizations eligible to receive a
22 payment as a regional prosperity collaborative, board, or council
23 may partner with other eligible regional planning organizations to
24 submit joint applications. In the instance of a joint application,
25 1 regional planning organization shall be utilized as the overall
26 applicant. The department may award a joint application award of no
27 greater than the sum of potential application dollars which would

1 have otherwise been available through individual applications.

2 (9) The department shall develop an application process and
3 method of grant distribution for the regional prosperity
4 initiative. Funding applications from regional planning
5 organizations shall be due to the department by December 1, 2016.
6 The department shall notify regional planning organizations of
7 grant application status by January 1, 2017. The department shall
8 ensure that processes are established to verify that qualifying
9 regional planning organizations meet the requirements under
10 subsections (2), (3), (4), (5), (6), and (7), as applicable.

11 (10) Unexpended funds appropriated in part 1 for the regional
12 prosperity initiative are designated as work project
13 appropriations, and any unencumbered or unallotted funds shall not
14 lapse at the end of the fiscal year and shall be available for
15 expenditure for regional prosperity initiative projects under this
16 section until the projects have been completed. The following is in
17 compliance with section 451a of the management and budget act, 1984
18 PA 431, MCL 18.1451a:

19 (a) The purpose of the projects is to provide incentive-based
20 grants to recipients under this section.

21 (b) The projects will be accomplished by grants to qualified
22 regional planning organizations.

23 (c) The total estimated cost of all projects is \$2,500,000.00.

24 (d) The estimated completion date is September 30, 2021.

25 Sec. 822g. The department of technology, management, and
26 budget shall report by April 1 to the senate and house
27 appropriations subcommittees on general government and the senate

1 and house fiscal agencies on legal service fund expenditures. The
2 report shall itemize expenditures by case, purpose, and department
3 involved.

4 Sec. 822h. (1) The department of technology, management, and
5 budget shall report by April 15 to the senate and house
6 appropriations subcommittees on general government and the senate
7 and house fiscal agencies on the expenditures for the office of
8 urban initiatives. The report shall provide information detailing
9 the economic impact and job growth initiatives for each urban and
10 metropolitan area receiving funds under part 1. The report shall
11 also provide information detailing the initiatives undertaken in
12 each urban or metropolitan area receiving funds under part 1,
13 including, but not limited to, all of the following:

14 (a) Transportation and infrastructure.

15 (b) Public services.

16 (c) Land use and sustainability.

17 (d) Housing.

18 (e) Workforce and economic development.

19 (2) Any unencumbered and unexpended funds appropriated to the
20 office of urban initiatives in the previous fiscal year shall lapse
21 to the general fund on October 1.

22 Sec. 822i. (1) From the funds appropriated in part 1, the
23 department shall assure all of the following:

24 (a) That public schools that are placed in the state school
25 reform/redesign school district or under a chief executive officer
26 under section 1280c of the revised school code, 1976 PA 451, MCL
27 380.1280c, remain in compliance with all applicable state and

1 federal law concerning special education.

2 (b) That students at public schools described in subdivision
3 (a) with individualized education programs are afforded special
4 education services in accordance with applicable state and federal
5 law concerning special education.

6 (2) The department shall report to the legislature on the
7 number of students in public schools described in subsection (1) (a)
8 who have an individualized education program and the performance
9 results of those students after the change in governance of the
10 public school.

11 Sec. 822j. From the funds appropriated in part 1 for the
12 office of good government, the department of technology,
13 management, and budget shall expand the scope of the office of good
14 government. The purpose of this program expansion is to broaden the
15 office's support of transformative good government initiatives
16 related to employee engagement and process improvement.

17 Sec. 822k. The department shall work with the department of
18 health and human services to conduct an evaluation of all state-
19 owned lands and buildings at the Hawthorn center psychiatric
20 hospital facility for children and adolescents and develop a
21 recommendation for the future use of the facility considering the
22 needs of the department of health and human services, its patients,
23 and the overall infrastructure plans of state government. A copy of
24 the evaluation shall be delivered to the senate and house
25 appropriations committees, the senate and house fiscal agencies,
26 and the state budget director by March 1.

27 Sec. 822l. From the funds appropriated in part 1 for the

1 school reform office, the school reform office shall conduct 1
2 public hearing in the school district of priority schools that the
3 school reform office has determined require an intervention
4 authorized by section 1280c(6) or (7) of the revised school code,
5 1976 PA 451, MCL 380.1280c. The school reform office shall give
6 notice to the district prior to the public hearing. The public
7 hearing shall include an outline of the plan for academic
8 improvement of the schools and a projected time frame of the school
9 reform office's involvement with the schools.

10 Sec. 822m. From the funds appropriated in part 1, the
11 department shall establish a system that collaborates with other
12 departments to keep track of the performance of vendors in
13 fulfilling contract obligations. The performance of these vendors
14 shall be recorded and used as a factor to determine future
15 contracts awarded in the procurement process.

16 Sec. 822n. From the funds appropriated in part 1, beginning on
17 October 1, the department of technology, management, and budget
18 shall ensure that all new requests for proposals that are publicly
19 displayed on the webpage include the proposal's corresponding
20 department and agency for the purpose of searching for requests for
21 proposals by department and agency.

22 Sec. 822o. From the funds appropriated in part 1 for the
23 school reform office, the school reform office shall make an effort
24 to coordinate with the department of education to streamline state
25 services and resources, reduce duplication, and increase
26 efficiency.

1 **INFORMATION TECHNOLOGY**

2 Sec. 823. (1) The department of technology, management, and
3 budget may sell and accept paid advertising for placement on any
4 state website under its jurisdiction. The department shall review
5 and approve the content of each advertisement. The department may
6 refuse to accept advertising from any person or organization or
7 require modification to advertisements based upon criteria
8 determined by the department. Revenue received under this
9 subsection shall be used for operating costs of the department and
10 for future technology enhancements to state of Michigan e-
11 government initiatives. Funds received under this subsection shall
12 be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall
13 be deposited in the state general fund.

14 (2) The department of technology, management, and budget may
15 accept gifts, donations, contributions, bequests, and grants of
16 money from any public or private source to assist with the
17 underwriting or sponsorship of state webpages or services offered
18 on those webpages. A private or public funding source may receive
19 recognition in the webpage. The department of technology,
20 management, and budget may reject any gift, donation, contribution,
21 bequest, or grant.

22 (3) Funds accepted by the department of technology,
23 management, and budget under subsection (1) or (2) are appropriated
24 and allotted when received and may be expended upon approval of the
25 state budget director. The state budget office shall notify the
26 senate and house of representatives standing committees on
27 appropriations subcommittees on general government and the senate

1 and house fiscal agencies within 10 days after the approval is
2 given.

3 Sec. 824. The department of technology, management, and budget
4 may enter into agreements to supply spatial information and
5 technical services to other principal executive departments, state
6 agencies, local units of government, and other organizations. The
7 department of technology, management, and budget may receive and
8 expend funds in addition to those authorized in part 1 for
9 providing information and technical services, publications, maps,
10 and other products. The department of technology, management, and
11 budget may expend amounts received for salaries, supplies, and
12 equipment necessary to provide informational products and technical
13 services. Prior to December 1 of each year, the department shall
14 provide a report to the senate and house of representatives
15 standing committees on appropriations subcommittees on general
16 government and the state budget director detailing the sources of
17 funding and expenditures made under this section.

18 Sec. 825. The legislature shall have access to all historical
19 and current data contained within MAIN pertaining to state
20 departments. State departments shall have access to all historical
21 and current data contained within MAIN.

22 Sec. 826. When used in this part and part 1, "information
23 technology services" means services involving all aspects of
24 managing and processing information, including, but not limited to,
25 all of the following:

26 (a) Application and mobile development and maintenance.

27 (b) Desktop computer support and management.

1 (c) Cyber security.

2 (d) Social media.

3 (e) Mainframe computer support and management.

4 (f) Server support and management.

5 (g) Local area network support and management, including, but
6 not limited to, wired and wireless network build-out, support, and
7 management.

8 (h) Information technology project management.

9 (i) Information technology planning and budget management.

10 (j) Telecommunication services, infrastructure, and support.

11 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
12 public safety communications system shall be expended upon approval
13 of an expenditure plan by the state budget director.

14 (2) The department of technology, management, and budget shall
15 assess all subscribers of the Michigan public safety communications
16 system reasonable access and maintenance fees and deposit the fees
17 in the Michigan public safety communications systems fees fund.

18 (3) All money received by the department of technology,
19 management, and budget under this section shall be expended for the
20 support and maintenance of the Michigan public safety
21 communications system.

22 (4) The department of technology, management, and budget shall
23 provide a report to the senate and house of representatives
24 standing committees on appropriations, the senate and house fiscal
25 agencies, and the state budget director on April 15, indicating the
26 amount of revenue collected under this section and expended for
27 support and maintenance of the Michigan public safety

1 communications system for the immediately preceding 6-month period.
2 Any deposits made under this section and unencumbered funds are
3 restricted revenues and shall be carried forward into succeeding
4 fiscal years.

5 Sec. 828. The department of technology, management, and budget
6 shall submit a report for the immediately preceding fiscal year
7 ending September 30 to the senate and house of representatives
8 standing committees on appropriations subcommittees on general
9 government and the senate and house fiscal agencies by March 1. The
10 report shall include the following:

11 (a) The total amount of funding appropriated for information
12 technology services and projects, by funding source, for all
13 principal executive departments and agencies.

14 (b) A listing of the expenditures made from the amounts
15 received by the department of technology, management, and budget as
16 reported in subdivision (a).

17 Sec. 829. The department of technology, management, and budget
18 shall provide a report that analyzes and makes recommendations on
19 the life-cycle of information technology hardware and software. The
20 report shall be submitted to the senate and house of
21 representatives standing committees on appropriations subcommittees
22 on general government and the senate and house fiscal agencies by
23 March 1.

24 Sec. 830. By December 31, the department shall provide a
25 report that lists all information technology-related change orders
26 and follow-on contracts, greater than \$50,000.00, whether they are
27 bid, exercise options, or no-bid, and the amount of each change

1 order or contract extension contract entered into by the department
2 to the senate and house of representatives standing committees on
3 appropriations subcommittees on general government, the senate and
4 house fiscal agencies, and the state budget director.

5 Sec. 831. (1) The information, communications, and technology
6 innovation fund, established pursuant to 2011 PA 63, 2012 PA 200,
7 and 2013 PA 59, shall be administered by the department of
8 technology, management, and budget for the purpose of providing a
9 revolving, self-sustaining resource for financing information,
10 communications, and technology innovation projects. From the funds
11 appropriated to the information, communications, and technology
12 innovation fund by 2011 PA 63, 2012 PA 200, and 2013 PA 59, or
13 received by the information, communications, and technology
14 innovation fund under subsections (2) and (3), the department of
15 technology, management, and budget may issue loans to state
16 agencies, local units of government, colleges and universities in
17 this state, school districts, other public entities that provide
18 public sector services, and nonprofit organizations that provide
19 public sector services, as determined by the department of
20 technology, management, and budget in support of information,
21 communications, and technology innovation projects.

22 (2) In addition to funds appropriated by 2011 PA 63, 2012 PA
23 200, and 2013 PA 59, the information, communications, and
24 technology innovation fund may accept contributions, gifts,
25 bequests, devises, grants, and donations.

26 (3) In addition to the funds appropriated by 2011 PA 63, 2012
27 PA 200, and 2013 PA 59, money received by the department of

1 technology, management, and budget as repayment of information,
2 communications, and technology innovation project loans, or other
3 reimbursement or revenue received by the department of technology,
4 management, and budget as a result of information, communications,
5 and technology innovation project loans, interest earned on that
6 money, or subsection (2) revenue, shall be deposited in the
7 information, communications, and technology innovation fund and is
8 appropriated for information, communications, and technology
9 innovation fund projects described in subsection (1). At the close
10 of the fiscal year, any unencumbered funds remaining in the
11 information, communications, and technology innovation fund shall
12 remain in the fund and be carried forward into the succeeding
13 fiscal year.

14 (4) This section is not effective if legislation is enacted
15 that creates and provides for the administration and use of the
16 information, communications, and technology innovation fund.

17 Sec. 832. (1) The department of technology, management, and
18 budget shall inform the senate and house appropriations
19 subcommittees on general government and the senate and house fiscal
20 agencies within 30 days of any potential or actual penalties
21 assessed by the federal government for failure of the Michigan
22 child support enforcement system to achieve certification by the
23 federal government.

24 (2) If potential penalties are assessed by the federal
25 government, the department of technology, management, and budget
26 shall submit a report to the senate and house appropriations
27 subcommittees on general government and the senate and house fiscal

1 agencies within 90 days specifying the department's plans to avoid
2 actual penalties and ensure federal certification of the Michigan
3 child support enforcement system.

4 Sec. 833. (1) The state budget director, upon notification to
5 the senate and house of representatives standing committees on
6 appropriations, may adjust spending authorization and user fees in
7 the department of technology, management, and budget in order to
8 ensure that the appropriations for information technology in the
9 department budget equal the appropriations for information
10 technology in the budgets for all executive branch agencies.

11 (2) If during the course of the fiscal year a transfer or
12 supplemental to or from the information technology line item within
13 an agency budget is made under section 393 of the management and
14 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
15 equal amount of user fees in the department of technology,
16 management, and budget budget to accommodate an increase or
17 decrease in spending authorization.

18 Sec. 834. (1) Revenue collected from licenses issued under the
19 antenna site management project shall be deposited into the antenna
20 site management revolving fund created for this purpose in the
21 department of technology, management, and budget. The department
22 may receive and expend money from the fund for costs associated
23 with the antenna site management project, including the cost of a
24 third-party site manager. Any excess revenue remaining in the fund
25 at the close of the fiscal year shall be proportionately
26 transferred to the appropriate state restricted funds as designated
27 in statute or by constitution.

1 (2) An antenna shall not be placed on any site pursuant to
2 this section without complying with the respective local zoning
3 codes and local unit of government processes.

4 Sec. 835. In addition to the funds appropriated in part 1, the
5 funds collected by the department for supplying census-related
6 information and technical services, publications, statistical
7 studies, population projections and estimates, and other
8 demographic products are appropriated for all expenses necessary to
9 provide the required services. These funds are available for
10 expenditure when they are received and may be carried forward into
11 the next succeeding fiscal year.

12 Sec. 836. From the increased funds appropriated in part 1 for
13 the information technology investment fund, the department of
14 technology, management, and budget shall provide for the
15 modernization of state information technology systems, and
16 integrate state system interfaces to improve customer service.

17 Sec. 837. From the funds appropriated in part 1 for cyber
18 security improvements, the department shall increase cyber security
19 information technology investment projects in the current fiscal
20 year. The purpose of this program expansion will be to provide
21 cyber security enhancements for network security improvements,
22 development of a comprehensive security framework and asset
23 security program, implementation of an enterprise-wide data loss
24 prevention process and governance, risk and compliance program, and
25 development of security dashboards and security reporting
26 processes.

27 Sec. 838. From the increased funds appropriated in part 1 for

1 enterprise identity management, the department shall expand the
2 enterprise identity management program in the current fiscal year.
3 The purpose of this program expansion is to provide an enterprise-
4 wide single sign-on and identity management tool to establish,
5 manage, and authenticate user identities for state information
6 technology systems.

7 Sec. 839. From the funds appropriated in part 1 for office of
8 retirement services ongoing support of technology, the department
9 shall expand the office of retirement services' information
10 technology capability in the current fiscal year. The purpose of
11 this new program or program expansion is to provide a 90% customer
12 contact satisfaction level.

13 **STATE BUILDING AUTHORITY RENT**

14 Sec. 842. (1) The state building authority rent appropriations
15 in part 1 may also be expended for the payment of required premiums
16 for insurance on facilities owned by the state building authority
17 or payment of costs that may be incurred as the result of any
18 deductible provisions in such insurance policies.

19 (2) If the amount appropriated in part 1 for state building
20 authority rent is not sufficient to pay the rent obligations and
21 insurance premiums and deductibles identified in subsection (1) for
22 state building authority projects, there is appropriated from the
23 general fund of the state the amount necessary to pay such
24 obligations.

25 **CIVIL SERVICE COMMISSION**

1 Sec. 850. (1) In accordance with section 5 of article XI of
2 the state constitution of 1963, all restricted funds shall be
3 assessed a sum not less than 1% of the total aggregate payroll paid
4 from those funds for financing the civil service commission on the
5 basis of actual 1% restricted sources total aggregate payroll of
6 the classified service for the preceding fiscal year. This
7 includes, but is not limited to, restricted funds appropriated in
8 part 1 of any appropriations act. Unexpended 1% appropriated funds
9 shall be returned to each 1% fund source at the end of the fiscal
10 year.

11 (2) The appropriations in part 1 are estimates of actual
12 charges based on payroll appropriations. With the approval of the
13 state budget director, the commission is authorized to adjust
14 financing sources for civil service charges based on actual payroll
15 expenditures, provided that such adjustments do not increase the
16 total appropriation for the civil service commission.

17 (3) The financing from restricted sources shall be credited to
18 the civil service commission by the end of the second fiscal
19 quarter.

20 Sec. 851. Except where specifically appropriated for this
21 purpose, financing from restricted sources shall be credited to the
22 civil service commission. For restricted sources of funding within
23 the general fund that have the legislative authority for carryover,
24 if current spending authorization or revenues are insufficient to
25 accept the charge, the shortage shall be taken from carryforward
26 balances of that funding source. Restricted revenue sources that do
27 not have carryforward authority shall be utilized to satisfy

1 commission operating deducts first and civil service obligations
2 second. General fund dollars are appropriated for any shortfall,
3 pursuant to approval by the state budget director.

4 Sec. 852. The appropriation in part 1 to the civil service
5 commission, for state-sponsored group insurance, flexible spending
6 accounts, and COBRA, represents amounts, in part, included within
7 the various appropriations throughout state government for the
8 current fiscal year to fund the flexible spending account program
9 included within the civil service commission. Deposits against
10 state-sponsored group insurance, flexible spending accounts, and
11 COBRA for the flexible spending account program shall be made from
12 assessments levied during the current fiscal year in a manner
13 prescribed by the civil service commission. Unspent employee
14 contributions to the flexible spending accounts may be used to
15 offset administrative costs for the flexible spending account
16 program, with any remaining balance of unspent employee
17 contributions to be lapsed to the general fund.

18 **CAPITAL OUTLAY**

19 Sec. 860. As used in sections 861 through 867:

20 (a) "Board" means the state administrative board.

21 (b) "Community college" means a community college organized
22 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
23 389.195, or under part 25 of the revised school code, 1976 PA 451,
24 MCL 380.1601 to 380.1607, and does not include a state agency or
25 university.

26 (c) "Department" means the department of technology,

1 management, and budget.

2 (d) "Director" means the director of the department of
3 technology, management, and budget.

4 (e) "Fiscal agencies" means the senate fiscal agency and the
5 house fiscal agency.

6 (f) "State agency" means an agency of state government. State
7 agency does not include a community college or university.

8 (g) "State building authority" means the authority created
9 under 1964 PA 183, MCL 830.411 to 830.425.

10 (h) "University" means a 4-year university supported by the
11 state. University does not include a community college or a state
12 agency.

13 Sec. 861. Each capital outlay project authorized in this part
14 and part 1 or any previous capital outlay act shall comply with the
15 procedures required by the management and budget act, 1984 PA 431,
16 MCL 18.1101 to 18.1594.

17 Sec. 862. (1) The department shall provide the JCOS, state
18 budget director, and the senate and house fiscal agencies with
19 reports as considered necessary relative to the status of each
20 planning or construction project financed by the state building
21 authority, by this part and part 1, or by previous acts.

22 (2) Before the end of each fiscal year, the department shall
23 report to the JCOS, state budget director, and the senate and house
24 fiscal agencies for each capital outlay project other than lump
25 sums all of the following:

26 (a) The account number and name of each construction project.

27 (b) The balance remaining in each account.

- 1 (c) The date of the last expenditure from the account.
- 2 (d) The anticipated date of occupancy if the project is under
3 construction.
- 4 (e) The appropriations history for the project.
- 5 (f) The professional service contractor.
- 6 (g) The amount of the project financed with federal funds.
- 7 (h) The amount of the project financed through the state
8 building authority.
- 9 (i) The total authorized cost for the project and the state
10 authorized share if different than the total.
- 11 (3) Before the end of each fiscal year, the department shall
12 report the following for each project by a state agency,
13 university, or community college that is authorized for planning
14 but is not yet authorized for construction:
- 15 (a) The name of the project and account number.
- 16 (b) Whether a program statement is approved.
- 17 (c) Whether schematics are approved by the department.
- 18 (d) Whether preliminary plans are approved by the department.
- 19 (e) The name of the professional service contractor.
- 20 (4) As used in this section, "project" includes appropriation
21 line items made for purchase of real estate.
- 22 Sec. 864. The appropriations in part 1 for capital outlay
23 shall be carried forward at the end of the fiscal year consistent
24 with the provisions of section 248 of the management and budget
25 act, 1984 PA 431, MCL 18.1248.
- 26 Sec. 865. (1) A site preparation economic development fund is
27 created in the department. As used in this section, "economic

1 development sites" means those state-owned sites declared as
2 surplus property pursuant to section 251 of the management and
3 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
4 benefit to the area or to the state. The Michigan economic
5 development corporation board and the state budget director shall
6 determine whether or not a specific state-owned site qualifies for
7 inclusion in the fund created under this subsection.

8 (2) Proceeds from the sale of any sites designated in
9 subsection (1) shall be deposited into the fund created in
10 subsection (1) and shall be available for site preparation
11 expenditures, unless otherwise provided by law. The economic
12 development sites authorized in subsection (1) are authorized for
13 sale consistent with state law. Expenditures from the fund are
14 authorized for site preparation activities that enhance the
15 marketable sale value of the sites. Site preparation activities
16 include, but are not limited to, demolition, environmental studies
17 and abatement, utility enhancement, and site excavation.

18 (3) A cash advance in an amount of not more than
19 \$25,000,000.00 is authorized from the general fund to the site
20 preparation economic development fund.

21 (4) An annual report shall be transmitted to the senate and
22 house of representatives standing committees on appropriations not
23 later than December 31 of each year. This report shall detail both
24 of the following:

25 (a) The revenue and expenditure activity in the fund for the
26 preceding fiscal year.

27 (b) The sites identified as economic development sites under

1 subsection (1).

2 Sec. 867. Proceeds from the sale of the Farnum Building shall
3 be subsequently appropriated to the department in accordance with
4 any legislation enacted that authorizes the sale of that property.
5 If the net proceeds from the sale of the Farnum Building are less
6 than the \$7,000,000.00 authorized for senate relocation costs in
7 section 896 of article VIII of 2014 PA 252, an amount equal to the
8 difference between the net sale proceeds and \$7,000,000.00 shall be
9 appropriated by the legislature to the department.

10 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

11 Sec. 873. (1) This section applies only to projects for
12 community colleges.

13 (2) State support is directed towards the remodeling and
14 additions, special maintenance, or construction of certain
15 community college buildings. The community college shall obtain or
16 provide for site acquisition and initial main utility installation
17 to operate the facility. Funding shall be composed of local and
18 state shares and not more than 50% of a capital outlay project, not
19 including a lump-sum special maintenance project or remodeling and
20 addition project, for a community college shall be appropriated
21 from state and federal funds, unless otherwise appropriated by the
22 legislature.

23 (3) An expenditure under this part and part 1 is authorized
24 when the release of the appropriation is approved by the board upon
25 the recommendation of the director. The director may recommend to
26 the board the release of any appropriation in part 1 only after the

1 director is assured that the legal entity operating the community
2 college to which the appropriation is made has complied with this
3 part and part 1 and has matched the amounts appropriated as
4 required by this part and part 1. A release of funds in part 1
5 shall not exceed 50% of the total cost of planning and construction
6 of any project, not including lump-sum remodeling and additions and
7 special maintenance, unless otherwise appropriated by the
8 legislature. Further planning and construction of a project
9 authorized by this part and part 1 or applicable sections of the
10 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
11 shall be in accordance with the purpose and scope as defined and
12 delineated in the approved program statements and planning
13 documents. This part and part 1 are applicable to all projects for
14 which planning appropriations were made in previous acts.

15 (4) The community college shall take the steps necessary to
16 secure available federal construction and equipment money for
17 projects funded for construction in this part and part 1 if an
18 application was not previously made. If there is a reasonable
19 expectation that a prior year unfunded application may receive
20 federal money in a subsequent year, the college shall take whatever
21 action necessary to keep the application active.

22 Sec. 874. If university and community college matching
23 revenues are received in an amount less than the appropriations for
24 capital projects contained in this part and part 1, the state funds
25 shall be reduced in proportion to the amount of matching revenue
26 received.

27 Sec. 875. (1) The director may require that community colleges

1 and universities that have an authorized project listed in part 1
2 submit documentation regarding the project match and governing
3 board approval of the authorized project not more than 60 days
4 after the beginning of the fiscal year.

5 (2) If the documentation required by the director under
6 subsection (1) is not submitted, or does not adequately
7 authenticate the availability of the project match or board
8 approval of the authorized project, the authorization may
9 terminate. The authorization terminates 30 days after the director
10 notifies the JCOS of the intent to terminate the project unless the
11 JCOS convenes to extend the authorization.

12 DEPARTMENT OF TREASURY

13 OPERATIONS

14 Sec. 901. (1) In addition to the funds appropriated in part 1,
15 there is appropriated an amount not to exceed \$1,000,000.00 for
16 federal contingency funds. These funds are not available for
17 expenditure until they have been transferred to another line item
18 in part 1 under section 393(2) of the management and budget act,
19 1984 PA 431, MCL 18.1393.

20 (2) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$10,000,000.00 for state
22 restricted contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in part 1 under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

26 (3) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$200,000.00 for local
2 contingency funds. These funds are not available for expenditure
3 until they have been transferred to another line item in part 1
4 under section 393(2) of the management and budget act, 1984 PA 431,
5 MCL 18.1393.

6 (4) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$40,000.00 for private
8 contingency funds. These funds are not available for expenditure
9 until they have been transferred to another line item in part 1
10 under section 393(2) of the management and budget act, 1984 PA 431,
11 MCL 18.1393.

12 Sec. 902. (1) Amounts needed to pay for interest, fees,
13 principal, mandatory and optional redemptions, arbitrage rebates as
14 required by federal law, and costs associated with the payment,
15 registration, trustee services, credit enhancements, and issuing
16 costs in excess of the amount appropriated to the department of
17 treasury in part 1 for debt service on notes and bonds that are
18 issued by the state under sections 14, 15, and 16 of article IX of
19 the state constitution of 1963 as implemented by 1967 PA 266, MCL
20 17.451 to 17.455, are appropriated.

21 (2) In addition to the amount appropriated to the department
22 of treasury for debt service in part 1, there is appropriated an
23 amount for fiscal year cash-flow borrowing costs to pay for
24 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
25 12.53.

26 (3) In addition to the amount appropriated to the department
27 of treasury for debt service in part 1, there is appropriated all

1 repayments received by the state on loans made from the school bond
2 loan fund not required to be deposited in the school loan revolving
3 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
4 the extent determined by the state treasurer, for the payment of
5 debt service, including, without limitation, optional and mandatory
6 redemptions, on bonds, notes or commercial paper issued by the
7 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

8 Sec. 902a. The department of treasury shall notify the senate
9 and house of representatives standing committees on appropriations,
10 the senate and house fiscal agencies, and the state budget office
11 not more than 30 days after a refunding or restructuring bond issue
12 is sold. The notification shall compare the annual debt service
13 prior to the refinancing or restructuring, the annual debt service
14 after the refinancing or restructuring, the change in the principal
15 and interest over the duration of the debt, and the projected
16 change in the present value of the debt service due to the
17 refinancing and restructuring.

18 Sec. 903. (1) From the funds appropriated in part 1, the
19 department of treasury may contract with private collection
20 agencies and law firms to collect taxes and other accounts due this
21 state. In addition to the amounts appropriated in part 1 to the
22 department of treasury, there are appropriated amounts necessary to
23 fund collection costs and fees not to exceed 25% of the collections
24 or 2.5% plus operating costs, whichever amount is prescribed by
25 each contract. The appropriation to fund collection costs and fees
26 for the collection of taxes or other accounts due this state are
27 from the fund or account to which the revenues being collected are

1 recorded or dedicated. However, if the taxes collected are
2 constitutionally dedicated for a specific purpose, the
3 appropriation of collection costs and fees are from the general
4 purpose account of the general fund.

5 (2) From the funds appropriated in part 1, the department of
6 treasury may contract with private collections agencies and law
7 firms to collect defaulted student loans and other accounts due the
8 Michigan guaranty agency. In addition to the amounts appropriated
9 in part 1 to the department of treasury, there are appropriated
10 amounts necessary to fund collection costs and fees not to exceed
11 24.34% of the collection or a lesser amount as prescribed by the
12 contract. The appropriation to fund collection costs and fees for
13 the auditing and collection of defaulted student loans due the
14 Michigan guaranty agency is from the fund or account to which the
15 revenues being collected are recorded or dedicated.

16 (3) The department of treasury shall submit a report for the
17 immediately preceding fiscal year ending September 30 to the state
18 budget director and the senate and house of representatives
19 standing committees on appropriations not later than November 30
20 stating the agencies or law firms employed, the amount of
21 collections for each, the costs of collection, and other pertinent
22 information relating to determining whether this authority should
23 be continued.

24 Sec. 904. (1) The department of treasury, through its bureau
25 of investments, may charge an investment service fee against the
26 applicable retirement funds. The fees may be expended for necessary
27 salaries, wages, contractual services, supplies, materials,

1 equipment, travel, worker's compensation insurance premiums, and
2 grants to the civil service commission and state employees'
3 retirement funds. Service fees shall not exceed the aggregate
4 amount appropriated in part 1. The department of treasury shall
5 maintain accounting records in sufficient detail to enable the
6 retirement funds to be reimbursed periodically for fee revenue that
7 is determined by the department of treasury to be surplus.

8 (2) In addition to the funds appropriated in part 1 from the
9 retirement funds to the department of treasury, there is
10 appropriated from retirement funds an amount sufficient to pay for
11 the services of money managers, investment advisors, investment
12 consultants, custodians, and other outside professionals, the state
13 treasurer considers necessary to prudently manage the retirement
14 funds' investment portfolios. The state treasurer shall report
15 annually to the senate and house of representatives standing
16 committees on appropriations and the state budget office concerning
17 the performance of each portfolio by investment advisor.

18 Sec. 904a. (1) There is appropriated an amount sufficient to
19 recognize and pay expenditures for financial services provided by
20 financial institutions as provided under section 1 of 1861 PA 111,
21 MCL 21.181.

22 (2) The appropriations under subsection (1) shall be funded by
23 restricting revenues from common cash interest earnings and
24 investment earnings in an amount sufficient to record these
25 expenditures. If the amounts of common cash interest earnings are
26 insufficient to cover these costs, then miscellaneous revenues
27 shall be used to fund the remaining balance of these expenditures.

1 Sec. 905. A revolving fund known as the municipal finance fee
2 fund is created in the department of treasury. Fees are established
3 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
4 to 141.2821, and the fees collected shall be credited to the
5 municipal finance fee fund and may be carried forward for future
6 appropriation.

7 Sec. 906. (1) The department of treasury shall charge for
8 audits as permitted by state or federal law or under contractual
9 arrangements with local units of government, other principal
10 executive departments, or state agencies. However, the charge shall
11 not be more than the actual cost for performing the audit. A report
12 detailing audits performed and audit charges for the immediately
13 preceding fiscal year shall be submitted to the state budget
14 director and the senate and house fiscal agencies not later than
15 November 30.

16 (2) A revolving fund known as the audit charges fund is
17 created in the department of treasury. The contractual charges
18 collected shall be credited to the audit charges fund and may be
19 carried forward for future appropriation.

20 Sec. 907. A revolving fund known as the assessor certification
21 and training fund is created in the department of treasury. The
22 assessor certification and training fund shall be used to organize
23 and operate a property assessor certification and training program.
24 Each participant certified and trained shall pay to the department
25 of treasury examination fees not to exceed \$50.00 per examination
26 and certification fees not to exceed \$175.00. Training courses
27 shall be offered in assessment administration. Each participant

1 shall pay a fee to cover the expenses incurred in offering the
2 optional programs to certified assessing personnel and other
3 individuals interested in an assessment career opportunity. The
4 fees collected shall be credited to the assessor certification and
5 training fund.

6 Sec. 908. The amount appropriated in part 1 to the department
7 of treasury, home heating assistance program, is to cover the
8 costs, including data processing, of administering federal home
9 heating credits to eligible claimants and to administer the
10 supplemental fuel cost payment program for eligible tax credit and
11 welfare recipients.

12 Sec. 909. Revenue from the airport parking tax act, 1987 PA
13 248, MCL 207.371 to 207.383, is appropriated and shall be
14 distributed under section 7a of the airport parking tax act, 1987
15 PA 248, MCL 207.377a.

16 Sec. 910. The disbursement by the department of treasury from
17 the bottle deposit fund to dealers as required by section 3c(2) of
18 1976 IL 1, MCL 445.573c, is appropriated.

19 Sec. 911. (1) There is appropriated an amount sufficient to
20 recognize and pay refundable income tax credits as provided by the
21 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

22 (2) The appropriations under subsection (1) shall be funded by
23 restricting income tax revenue in an amount sufficient to record
24 these expenditures.

25 Sec. 912. A plaintiff in a garnishment action involving this
26 state shall pay to the state treasurer 1 of the following:

27 (a) A fee of \$6.00 at the time a writ of garnishment of

1 periodic payments is served upon the state treasurer, as provided
2 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
3 MCL 600.4012.

4 (b) A fee of \$6.00 at the time any other writ of garnishment
5 is served upon the state treasurer, except that the fee shall be
6 reduced to \$5.00 for each writ of garnishment for individual income
7 tax refunds or credits filed by magnetic media.

8 Sec. 913. (1) The department of treasury may contract with
9 private firms to appraise and, if necessary, appeal the assessments
10 of senior citizen cooperative housing units. Payment for this
11 service shall be from savings resulting from the appraisal or
12 appeal process.

13 (2) Of the funds appropriated in part 1 to the department of
14 treasury for the senior citizens' cooperative housing tax exemption
15 program, a portion may be utilized for a program audit of the
16 program. The department of treasury shall forward copies of any
17 audit report completed to the senate and house of representatives
18 standing committees on appropriations subcommittees on general
19 government and to the state budget office. The department of
20 treasury may utilize up to 1% of the funds for program
21 administration and auditing.

22 Sec. 914. The department of treasury may provide a \$200.00
23 annual prize from the Ehlers internship award account in the gifts,
24 bequests, and deposit fund to the runner-up of the Rosenthal prize
25 for interns. The Ehlers internship award account is interest
26 bearing.

27 Sec. 915. Pursuant to section 61 of the Michigan campaign

1 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
2 the general fund to the state campaign fund an amount equal to the
3 amounts designated for tax year 2015. Except as otherwise provided
4 in this section, the amount appropriated shall not revert to the
5 general fund and shall remain in the state campaign fund. Any
6 amounts remaining in the state campaign fund in excess of
7 \$10,000,000.00 on December 31 shall revert to the general fund.

8 Sec. 916. The department of treasury may make available to
9 interested entities otherwise unavailable customized unclaimed
10 property listings of nonconfidential information in its possession.
11 The charge for this information is as follows: 1 to 100,000 records
12 at 2.5 cents per record and 100,001 or more records at .5 cents per
13 record. The revenue received from this service shall be deposited
14 to the appropriate revenue account or fund. The department shall
15 submit an annual report on or before June 1 to the state budget
16 director and the senate and house of representatives standing
17 committees on appropriations that states the amount of revenue
18 received from the sale of information.

19 Sec. 917. (1) There is appropriated for write-offs and
20 advances an amount equal to total write-offs and advances for
21 departmental programs, but not to exceed current year
22 authorizations that would otherwise lapse to the general fund.

23 (2) The department of treasury shall submit a report for the
24 immediately preceding fiscal year to the state budget director and
25 the senate and house fiscal agencies not later than November 30
26 stating the amounts appropriated for write-offs and advances under
27 subsection (1).

1 Sec. 919. (1) From funds appropriated in part 1, the
2 department of treasury may contract with private auditing firms to
3 audit for and collect unclaimed property due this state in
4 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
5 567.221 to 567.265. In addition to the amounts appropriated in part
6 1 to the department of treasury, there are appropriated amounts
7 necessary to fund auditing and collection costs and fees not to
8 exceed 12% of the collections, or a lesser amount as prescribed by
9 the contract. The appropriation to fund collection costs and fees
10 for the auditing and collection of unclaimed property due this
11 state is from the fund or account to which the revenues being
12 collected are recorded or dedicated.

13 (2) The department of treasury shall submit a report for the
14 immediately preceding fiscal year ending September 30 to the state
15 budget director and the senate and house of representatives
16 standing committees on appropriations not later than November 30
17 stating the auditing firms employed, the amount of collections for
18 each, the costs of collection, and other pertinent information
19 relating to determining whether this authority should be continued.

20 Sec. 924. (1) In addition to the funds appropriated in part 1,
21 the department of treasury may receive and expend principal
22 residence audit fund revenue for administration of principal
23 residence audits under the general property tax act, 1893 PA 206,
24 MCL 211.1 to 211.155.

25 (2) The department of treasury shall submit a report for the
26 immediately preceding fiscal year to the state budget director and
27 the senate and house fiscal agencies not later than December 31

1 stating the amount of exemptions denied and the revenue received
2 under the program.

3 Sec. 926. Unexpended appropriations of the John R. Justice
4 grant program are designated as work project appropriations and
5 shall not lapse at the end of the fiscal year and shall continue to
6 be available for expenditure until the project has been completed.
7 The following is in compliance with section 451a of the management
8 and budget act, 1984 PA 431, MCL 18.1451a:

9 (a) The purpose of the project is to provide student loan
10 forgiveness to qualified public defenders and prosecutors.

11 (b) The project will be accomplished by utilizing state
12 employees or contracts with private vendors, or both.

13 (c) The total estimated cost of the project is \$288,100.00.

14 (d) The tentative completion date is September 30, 2017.

15 Sec. 927. The department of treasury shall submit annual
16 progress reports to the senate and house of representatives
17 standing committees on appropriations subcommittees on general
18 government and the senate and house fiscal agencies, regarding
19 personal property tax audits. The report shall include the number
20 of audits, revenue generated, and number of complaints received by
21 the department related to the audits.

22 Sec. 928. The department of treasury may provide receipt,
23 warrant and cash processing, data, collection, investment, fiscal
24 agent, levy and warrant cost assessment, writ of garnishment, and
25 other user services on a contractual basis for other principal
26 executive departments and state agencies. Funds for the services
27 provided are appropriated and shall be expended for salaries and

1 wages, fees, supplies, and equipment necessary to provide the
2 services. Any unobligated balance of the funds received shall
3 revert to the general fund of this state as of September 30.

4 Sec. 930. (1) The department of treasury shall provide
5 accounts receivable collections services to other principal
6 executive departments and state agencies under 1927 PA 375, MCL
7 14.131 to 14.134. The department of treasury shall deduct a fee
8 equal to the cost of collections from all receipts except
9 unrestricted general fund collections. Fees shall be credited to a
10 restricted revenue account and appropriated to the department of
11 treasury to pay for the cost of collections. The department of
12 treasury shall maintain accounting records in sufficient detail to
13 enable the respective accounts to be reimbursed periodically for
14 fees deducted that are determined by the department of treasury to
15 be surplus to the actual cost of collections.

16 (2) The department of treasury shall submit a report for the
17 immediately preceding fiscal year to the state budget director and
18 the senate and house fiscal agencies not later than November 30
19 stating the principal executive departments and state agencies
20 served, funds collected, and costs of collection under subsection
21 (1).

22 Sec. 931. (1) The appropriation in part 1 to the department of
23 treasury for treasury fees shall be assessed against all restricted
24 funds that receive common cash earnings or other investment income.
25 Treasury fees include all costs, including administrative overhead,
26 relating to the investment of each restricted fund. The fee
27 assessed against each restricted fund will be based on the size of

1 the restricted fund (the absolute value of the average daily cash
2 balance plus the market value of investments in the prior fiscal
3 year) and the level of effort necessary to maintain the restricted
4 fund as required by each department. The department of treasury
5 shall provide a report to the state budget director, the senate and
6 house of representatives standing committees on appropriations
7 subcommittees on general government, and the senate and house
8 fiscal agencies by November 30 of each year identifying the fees
9 assessed against each restricted fund and the methodology used for
10 assessment.

11 (2) In addition to the funds appropriated in part 1, the
12 department of treasury may receive and expend investment fees
13 relating to new restricted funding sources that participate in
14 common cash earnings or other investment income during the current
15 fiscal year. When a new restricted fund is created starting on or
16 after October 1, that restricted fund shall be assessed a fee using
17 the same criteria identified in subsection (1).

18 Sec. 932. Revenue received under the Michigan education trust
19 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
20 board of directors of the Michigan education trust for necessary
21 salaries, wages, supplies, contractual services, equipment,
22 worker's compensation insurance premiums, and grants to the civil
23 service commission and state employees' retirement fund.

24 Sec. 934. (1) The department of treasury may expend revenues
25 received under the hospital finance authority act, 1969 PA 38, MCL
26 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
27 141.1051 to 141.1076, the higher education facilities authority

1 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
2 educational facilities authority, Executive Reorganization Order
3 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
4 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
5 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
6 the natural resources and environmental protection act, 1994 PA
7 451, MCL 324.50501 to 324.50522, the state housing development
8 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
9 the Michigan finance authority, Executive Reorganization Order No.
10 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
11 contractual services, equipment, worker's compensation insurance
12 premiums, grants to the civil service commission and state
13 employees' retirement fund, and other expenses as allowed under
14 those acts.

15 (2) The department of treasury shall report by January 31 to
16 the senate and house appropriations subcommittees, the senate and
17 house fiscal agencies, and the state budget director on the amount
18 and purpose of expenditures made under subsection (1) from funds
19 received in addition to those appropriated in part 1. The report
20 shall also include a listing of reimbursement of revenue, if any.
21 The report shall cover the previous fiscal year.

22 Sec. 935. The funds appropriated in part 1 for dual enrollment
23 payments for an eligible student enrolled in a state-approved
24 nonpublic school shall be distributed as provided under the
25 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
26 388.524, and the career and technical preparation act, 2000 PA 258,
27 MCL 388.1901 to 388.1913, in a form and manner as determined by the

1 department of treasury.

2 Sec. 936. (1) From the funds appropriated in part 1 for the
3 student loan delinquency counseling pilot programm, the department
4 shall request competitive proposals from service providers
5 interested in piloting student loan delinquency counseling services
6 for Michigan student loan borrowers. The competitive proposal for
7 the pilot shall include all of the following:

8 (a) Provide 1-on-1 student loan counseling assistance and
9 financial educational services for interested individuals who are
10 delinquent on their student loan payments. This counseling shall
11 ensure that more individuals know about their student loan payment
12 options and that borrowers have access to budgeting assistance and
13 comprehensive debt management programs.

14 (b) Require that borrowers voluntarily opt into student loan
15 delinquency counseling.

16 (c) Promote service through statement inserts, electronic
17 mails, or mailings, or through participating loan servicers or
18 colleges and universities.

19 (d) Pilot the services for no more than 1 year.

20 (e) Provide the department with the information necessary for
21 reporting requirements to use for evaluation of the program.

22 (f) Be able to begin the pilot by January 2, 2017.

23 (2) The department shall release the RFP by October 3 with a
24 due date of November 4. During this time, the department shall have
25 a question-and-answer event with prospective providers 2 weeks
26 before proposals are due. The department shall select and notify
27 the awarded vendor no later than 1 month after the RFP due date.

1 The department shall ensure that the pilot begins by January 2.

2 (3) The department of treasury shall issue a status report
3 using information provided by the vendor that includes the
4 following:

5 (a) Number of borrowers counseled.

6 (b) Number of student loans and amount of balances owed by
7 counseled borrowers.

8 (c) Number and dollar amount of delinquent student loans
9 brought current.

10 (d) Number and dollar amount of delinquent student loans
11 defaulted.

12 (e) Number and dollar amount of student loans enrolled in a
13 repayment program.

14 (f) Number and dollar amount of student loans in deferment or
15 forbearance.

16 (g) At selected time frames after the initial counseling
17 session, the difference between current student loan balances and
18 the balances at the time of initial counseling.

19 (h) Number and dollar amount of defaulted student loans
20 rehabilitated.

21 (i) Borrower's credit score at the time of counseling.

22 (j) Borrower's credit score at selected time frames after
23 initial counseling session.

24 (k) Results from customer surveys regarding the participant's
25 perceived value and usefulness of the services.

26 (4) The department of treasury will evaluate the proposals by
27 using the following criteria:

1 (a) 20% based on demonstrated experience in providing student
2 loan delinquency counseling.

3 (b) 25% based on demonstrated experience in providing debt
4 management and debt counseling.

5 (c) 10% based on demonstrated experience in providing
6 budgeting and financial information.

7 (d) 10% based on responses to questionnaire.

8 (e) 20% based on an implementation plan of the pilot program.

9 (f) 15% based on the proposed staffing and budget for the
10 pilot program.

11 Sec. 937. From the funds appropriated in part 1, the
12 department of treasury shall submit a report to the state budget
13 director and the senate and house standing committees on
14 appropriations not later than March 31 regarding the performance of
15 the Michigan accounts receivable collections system. The report
16 shall include, but is not limited to:

17 (a) Information regarding the effectiveness of the
18 department's current collection strategies, including use of
19 vendors or contractors.

20 (b) The amount of delinquent accounts and collection referrals
21 to vendors and contractors.

22 (c) The liquidation rates for declining delinquent accounts.

23 (d) The profile of uncollected delinquent accounts, including
24 specific uncollected amounts by category.

25 (e) The department's strategy to manage delinquent accounts
26 once those accounts exceed the vendor's or contractor's contracted
27 collectible period.

1 (f) A summary of the strategies used in other states,
2 including, but not limited to, secondary placement services, and
3 assessing the benefits of those strategies.

4 Sec. 938. (1) From the funds appropriated in part 1 for
5 unclassified salaries, the department of treasury shall ensure that
6 the state capitol historic site fund receive, in addition to the
7 amounts described in section 12 of the tobacco products tax act,
8 1993 PA 327, MCL 205.432, any amounts remaining in the restoration,
9 renewal, and maintenance line item in part 1.

10 (2) In the event that Detroit CPI results in decreased
11 statutory payments to the state capitol historic fund, the
12 department of treasury shall not take punitive measures or decrease
13 payments to the fund and shall ensure full payment from the amounts
14 available in the restoration, renewal, and maintenance line item in
15 part 1.

16 Sec. 941. (1) The department of treasury, in conjunction with
17 the Michigan strategic fund, shall report to the senate and house
18 of representatives appropriations subcommittees on general
19 government, the senate and house fiscal agencies, and the state
20 budget office by November 1 on the annual cost of the Michigan
21 economic growth authority tax credits. The report shall include for
22 each year the board-approved credit amount, adjusted for credit
23 amendments where applicable, and the actual and projected value of
24 tax credits for each year from 1995 to the expiration of the credit
25 program. For years for which credit claims are complete, the report
26 shall include the total of actual certificated credit amounts. For
27 years for which claims are still pending or not yet submitted, the

1 report shall include a combination of actual credits where
2 available and projected credits. Credit projections shall be based
3 on updated estimates of employees, wages, and benefits for eligible
4 companies.

5 (2) In addition to the report under subsection (1), the
6 department of treasury, in conjunction with the Michigan strategic
7 fund, shall report to the senate and house of representatives
8 appropriations subcommittees on general government, the senate and
9 house fiscal agencies, and the state budget office by November 1 on
10 the annual cost of all other certificated credits by program, for
11 each year until the credits expire or can no longer be collected.
12 The report shall include estimates on the brownfield redevelopment
13 credit, film credits, MEGA photovoltaic technology credit, MEGA
14 polycrystalline silicon manufacturing credit, MEGA vehicle battery
15 credit, and other certificated credits.

16 Sec. 944. If the department of treasury hires a pension plan
17 consultant using any of the funds appropriated in part 1, the
18 department shall retain any report provided to the department by
19 that consultant and shall make that report available upon request
20 to the senate and house of representatives standing committees on
21 appropriations subcommittees on general government, the senate and
22 house fiscal agencies, and the state budget director.

23 Sec. 945. The appraisal quality assurance project manager of
24 the department of treasury shall conduct a review of local unit
25 assessment administration practices, procedures, and records, also
26 known as the audit of minimal assessing requirements, in at least 1
27 assessment jurisdiction per county.

1 Sec. 946. Revenue collected in the convention facility
2 development fund is appropriated and shall be distributed under
3 sections 8 and 9 of the state convention facility development act,
4 1985 PA 106, MCL 207.628 and 207.629.

5 Sec. 947. Financial independence teams shall cooperate with
6 the financial responsibility section to coordinate and streamline
7 efforts in identifying and addressing fiscal emergencies in school
8 districts and intermediate school districts.

9 Sec. 948. Total authorized appropriations from all department
10 of treasury sources under part 1 for legacy costs for the fiscal
11 year ending September 30, 2017 are \$49,651,800.00. From this
12 amount, total agency appropriations for pension-related legacy
13 costs are estimated at \$27,530,500.00. Total agency appropriations
14 for retiree health care legacy costs are estimated at
15 \$22,121,300.00.

16 Sec. 949. (1) From the funds appropriated in part 1, the
17 department of treasury may contract with private agencies to
18 prevent the disbursement of fraudulent tax refunds. In addition to
19 the amounts appropriated in part 1 to the department of treasury,
20 there are appropriated amounts necessary to pay contract costs or
21 fund operations designed to reduce fraudulent income tax refund
22 payments not to exceed \$1,600,000.00 of the refunds identified as
23 potentially fraudulent and for which payment of the refund is
24 denied. The appropriation to fund fraud prevention efforts is from
25 the fund or account to which the revenues being collected are
26 recorded or dedicated.

27 (2) The department of treasury shall submit a report for the

1 immediately preceding fiscal year ending September 30 to the state
2 budget director and the senate and house of representatives
3 standing committees on appropriations not later than November 30
4 stating the number of refund claims denied due to the fraud
5 prevention operations, the amount of refunds denied, the costs of
6 the fraud prevention operations, and other pertinent information
7 relating to determining whether this authority should be continued.

8 Sec. 949d. (1) From the funds appropriated in part 1 for
9 financial review commission, the department shall continue
10 financial review commission efforts in the current fiscal year. The
11 purpose of the funding is to provide ongoing costs associated with
12 the operation of the commission.

13 (2) The department shall identify specific outcomes and
14 performance measures for this initiative, including, but not
15 limited to, the department's ability to perform a critical fiscal
16 review to ensure the city of Detroit does not reenter distress
17 following its exit from bankruptcy and to ensure that the community
18 district does not enter distress and maintains a balanced budget.

19 Sec. 949e. From the funds appropriated in part 1 for the state
20 essential services assessment program, the department of treasury
21 shall administer the state essential services assessment program.
22 The program will provide the department the ability to collect the
23 state essential services assessment which is a phased-in
24 replacement of locally collected personal property taxes on
25 eligible manufacturing personal property.

26 Sec. 949f. Revenue from the tobacco products tax act, 1993 PA
27 327, MCL 205.421 to 205.436, related to counties with a 2000

1 population of more than 2,000,000 is appropriated and shall be
2 distributed under section 12(4)(d) of the tobacco products tax act,
3 1993 PA 327, MCL 205.432.

4 Sec. 949g. From the one-time funds appropriated in part 1 for
5 urban search and rescue task force, \$500,000.00 shall be expended
6 to support the urban search and rescue task force. In distributing
7 funds under this section, the department of treasury shall require
8 the task force to provide to the department the following
9 information:

10 (a) A final year-end report providing information on all
11 revenue received by source and expenditures by categories, with the
12 funds distributed to the task force under section 949g of article
13 VIII of 2015 PA 84 discretely presented.

14 (b) Detail on the proposed expenditure of the funds
15 distributed under this section.

16 (c) A final year-end report providing information on all
17 revenue received by source and expenditures by categories, with the
18 funds distributed under this section discretely presented.

19 **REVENUE SHARING**

20 Sec. 950. The funds appropriated in part 1 for constitutional
21 revenue sharing shall be distributed by the department of treasury
22 to cities, villages, and townships, as required under section 10 of
23 article IX of the state constitution of 1963. Revenue collected in
24 accordance with section 10 of article IX of the state constitution
25 of 1963 in excess of the amount appropriated in part 1 for
26 constitutional revenue sharing is appropriated for distribution to
27 cities, villages, and townships, on a population basis as required

1 under section 10 of article IX of the state constitution of 1963.

2 Sec. 952. (1) The funds appropriated in part 1 for city,
3 village, and township revenue sharing are for grants to cities,
4 villages, and townships such that, subject to fulfilling the
5 requirements under subsection (3), each city, village, or township
6 is eligible to receive 100% of its eligible payment under section
7 952 of article VIII of 2015 PA 84. For purposes of this subsection,
8 any city, village, or township that completely merges with another
9 city, village, or township will be treated as a single entity, such
10 that when determining the eligible payment under section 952 of
11 article VIII of 2015 PA 84 for the combined single entity, the
12 amount each of the merging local units was eligible to receive
13 under section 952 of article VIII of 2015 PA 84 is summed. For
14 purposes of this subsection, population is determined in the same
15 manner as under section 3 of the Glenn Steil state revenue sharing
16 act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or
17 village that according to the 2010 federal decennial census is
18 determined to have population in more than 1 county shall be
19 treated as a single entity when determining the eligible payment
20 under section 952 of article VIII of 2015 PA 84.

21 (2) The funds appropriated in part 1 for the county incentive
22 program are to be used for grants to counties such that each county
23 is eligible to receive an amount equal to 20% of the amount by
24 which the balance in its revenue sharing reserve fund under section
25 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for
26 the county's most recent fiscal year that ends prior to the January
27 1 of the state's fiscal year is less than the amount calculated

1 under section 44a(14) of the general property tax act, 1893 PA 206,
2 MCL 211.44a, for the county fiscal year that begins in the state's
3 fiscal year. The amount calculated under this subsection shall be
4 adjusted as necessary to reflect partial county fiscal years and
5 prorated based on the total amount appropriated for distribution to
6 all eligible counties. Except as otherwise provided under this
7 subsection, payments under this subsection will be distributed to
8 an eligible county subject to the county's fulfilling the
9 requirements under subsection (3).

10 (3) For purposes of accountability and transparency, each
11 eligible city, village, township, or county shall certify by
12 December 1, or the first day of a payment month, that it has
13 produced a citizen's guide of its most recent local finances,
14 including a recognition of its unfunded liabilities; a performance
15 dashboard; a debt service report containing a detailed listing of
16 its debt service requirements, including, at a minimum, the
17 issuance date, issuance amount, type of debt instrument, a listing
18 of all revenues pledged to finance debt service by debt instrument,
19 and a listing of the annual payment amounts until maturity; and a
20 projected budget report, including, at a minimum, the current
21 fiscal year and a projection for the immediately following fiscal
22 year. The projected budget report shall include revenues and
23 expenditures and an explanation of the assumptions used for the
24 projections. Each eligible city, village, township, or county shall
25 include in any mailing of general information to its citizens the
26 Internet website address location for its citizen's guide,
27 performance dashboard, debt service report, and projected budget

1 report or the physical location where these documents are available
2 for public viewing in the city, village, township, or county
3 clerk's office. Each city, village, township, and county applying
4 for a payment under this subsection shall submit a copy of the
5 citizen's guide, a copy of the performance dashboard, a copy of the
6 debt service report, and a copy of the projected budget report to
7 the department of treasury. The department of treasury shall
8 develop detailed guidance for a city, village, township, or county
9 to follow to meet the requirements of this subsection. The detailed
10 guidance shall be posted on the department of treasury website and
11 distributed to cities, villages, townships, and counties by October
12 1.

13 (4) City, village, and township revenue sharing payments and
14 county incentive program payments are subject to the following
15 conditions:

16 (a) The city, village, township, or county shall certify to
17 the department that it has met the required criteria for subsection
18 (3) and submitted the required citizen's guide, performance
19 dashboard, debt service report, and projected budget report as
20 required by subsection (3). A department of treasury review of the
21 citizen's guide, dashboard, or reports is not required in order for
22 a city, village, township, or county to receive a payment under
23 subsection (1) or (2). The department shall develop a certification
24 process and method for cities, villages, townships, and counties to
25 follow.

26 (b) Subject to subdivisions (c), (d), and (e), if a city,
27 village, township, or county meets the requirements of subsection

1 (3), the city, village, township, or county shall receive its full
2 potential payment under this section.

3 (c) Cities, villages, and townships eligible to receive a
4 payment under subsection (1) shall receive 1/6 of their eligible
5 payment on the last business day of October, December, February,
6 April, June, and August. Payments under subsection (1) shall be
7 issued to cities, villages, and townships until the specified due
8 date for subsection (3). After the specified due date for
9 subsection (3), payments shall be made to a city, village, or
10 township only if that city, village, or township has complied with
11 subdivision (a).

12 (d) Payments under subsection (2) shall be issued to counties
13 until the specified due date for subsection (3). After the
14 specified due date for subsection (3), payments shall be made to a
15 county only if that county has complied with subdivision (a).

16 (e) If a city, village, township, or county does not provide
17 the required certification, citizen's guide, performance dashboard,
18 debt service report, and projected budget report by the first day
19 of a payment month, the city, village, township, or county shall
20 forfeit the payment in that payment month.

21 (f) Any city, village, township, or county that falsifies
22 certification documents shall forfeit any future city, village, and
23 township revenue sharing payments or county incentive program
24 payments and shall repay to this state all payments it has received
25 under this section.

26 (g) City, village, and township revenue sharing payments and
27 county incentive program payments under this section shall be

1 distributed on the last business day of October, December,
2 February, April, June, and August.

3 (h) Payments distributed under this section may be withheld
4 pursuant to sections 17a and 21 of the Glenn Steil state revenue
5 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

6 (5) The unexpended funds appropriated in part 1 for city,
7 village, and township revenue sharing and the county incentive
8 program shall be available for expenditure under the program for
9 financially distressed cities, villages, or townships after the
10 approval of transfers by the legislature pursuant to section 393(2)
11 of the management and budget act, 1984 PA 431, MCL 18.1393.

12 Sec. 955. (1) The funds appropriated in part 1 for county
13 revenue sharing shall be distributed by the department of treasury
14 so that each eligible county receives a payment equal to 100.976%
15 of the amount determined pursuant to the Glenn Steil state revenue
16 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the
17 amount for which the county is eligible under section 952(2). The
18 amount calculated under this subsection shall be adjusted as
19 necessary to reflect partial county fiscal years and prorated based
20 on the total amount appropriated for distribution to all eligible
21 counties.

22 (2) The department of treasury shall annually certify to the
23 state budget director the amount each county is authorized to
24 expend from its revenue sharing reserve fund.

25 Sec. 956. (1) The funds appropriated in part 1 for financially
26 distressed cities, villages, and townships shall be granted by the
27 department of treasury to cities, villages, and townships that have

1 1 or more conditions that indicate probable financial distress, as
2 determined by the department of treasury. A city, village, or
3 township with 1 or more conditions that indicate probable financial
4 distress may apply in a manner determined by the department of
5 treasury for a grant to pay for specific projects or services that
6 move the city, village, or township toward financial stability.
7 Grants are to be used for specific projects or services that move
8 the city, village, or township toward financial stability. The
9 city, village, or township may use, but is not limited to using,
10 the grants under this section to make payments to reduce unfunded
11 accrued liability; to repair or replace critical infrastructure and
12 equipment owned or maintained by the city, village, or township; to
13 reduce debt obligations; or for costs associated with a transition
14 to shared services with another jurisdiction. The department of
15 treasury shall award no more than \$2,000,000.00 to any city,
16 village, or township under this section.

17 (2) The department of treasury shall provide a report to the
18 senate and house of representatives appropriations subcommittees on
19 general government, the senate and house fiscal agencies, and the
20 state budget office by March 31. The report shall include a list by
21 grant recipient of the date each grant was approved, the amount of
22 the grant, and a description of the project or projects that will
23 be paid by the grant.

24 (3) The unexpended funds appropriated in part 1 for
25 financially distressed cities, villages, and townships are
26 designated as a work project appropriation, and any unencumbered or
27 unallotted funds shall not lapse at the end of the fiscal year and

1 shall be available for expenditure for projects under this section
2 until the projects have been completed. The following is in
3 compliance with section 451a of the management and budget act, 1984
4 PA 431, MCL 18.1451a:

5 (a) The purpose of the project is to provide assistance to
6 financially distressed cities, villages, and townships under this
7 section.

8 (b) The projects will be accomplished by grants to cities,
9 villages, and townships approved by the department of treasury.

10 (c) The total estimated cost of all projects is \$5,000,000.00.

11 (d) The tentative completion date is September 30, 2021.

12 **BUREAU OF STATE LOTTERY**

13 Sec. 960. In addition to the funds appropriated in part 1 to
14 the bureau of state lottery, there is appropriated from state
15 lottery fund revenues the amount necessary for, and directly
16 related to, implementing and operating lottery games under the
17 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
18 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
19 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
20 expenditures for contractually mandated payments for vendor
21 commissions, contractually mandated payments for instant tickets
22 intended for resale, the contractual costs of providing and
23 maintaining the online system communications network, and incentive
24 and bonus payments to lottery retailers.

25 Sec. 963. The bureau of state lottery shall inform all lottery
26 retailers that the cash side of MDHHS bridge cards cannot be used
27 to purchase lottery tickets.

1 Sec. 964. For the bureau of the state lottery, there is
2 appropriated 1% of the lottery's prior fiscal year's gross sales or
3 \$25,000,000.00, whichever is less, for promotion and advertising.

4 **CASINO GAMING**

5 Sec. 971. From the revenue collected by the Michigan gaming
6 control board regarding the total annual assessment of each casino
7 licensee, \$2,000,000.00 is appropriated and shall be deposited in
8 the compulsive gaming prevention fund as described in section
9 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
10 MCL 432.212a.

11 Sec. 973. (1) Funds appropriated in part 1 for local
12 government programs may be used to provide assistance to a local
13 revenue sharing board referenced in an agreement authorized by the
14 Indian gaming regulatory act, Public Law 100-497.

15 (2) A local revenue sharing board described in subsection (1)
16 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
17 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
18 to 15.246.

19 (3) A county treasurer is authorized to receive and administer
20 funds received for and on behalf of a local revenue sharing board.
21 Funds appropriated in part 1 for local government programs may be
22 used to audit local revenue sharing board funds held by a county
23 treasurer. This section does not limit the ability of local units
24 of government to enter into agreements with federally recognized
25 Indian tribes to provide financial assistance to local units of
26 government or to jointly provide public services.

27 (4) A local revenue sharing board described in subsection (1)

1 shall comply with all applicable provisions of any agreement
2 authorized by the Indian gaming regulatory act, Public Law 100-497,
3 in which the local revenue sharing board is referenced, including,
4 but not limited to, the disbursal of tribal casino payments
5 received under applicable provisions of the tribal-state class III
6 gaming compact in which those funds are received.

7 (5) The director of the department of state police and the
8 executive director of the Michigan gaming control board are
9 authorized to assist the local revenue sharing boards in
10 determining allocations to be made to local public safety
11 organizations.

12 (6) The Michigan gaming control board shall submit a report by
13 September 30 to the senate and house of representatives standing
14 committees on appropriations and the state budget director on the
15 receipts and distribution of revenues by local revenue sharing
16 boards.

17 Sec. 974. If revenues collected in the state services fee fund
18 are less than the amounts appropriated from the fund, available
19 revenues shall be used to fully fund the appropriation in part 1
20 for casino gaming regulation activities before distributions are
21 made to other state departments and agencies. If the remaining
22 revenue in the fund is insufficient to fully fund appropriations to
23 other state departments or agencies, the shortfall shall be
24 distributed proportionally among those departments and agencies.

25 Sec. 976. The executive director of the Michigan gaming
26 control board may pay rewards of not more than \$5,000.00 to a
27 person who provides information that results in the arrest and

1 conviction on a felony or misdemeanor charge for a crime that
2 involves the horse racing industry. A reward paid pursuant to this
3 section shall be paid out of the appropriation in part 1 for the
4 racing commission.

5 Sec. 977. All appropriations from the Michigan agriculture
6 equine industry development fund, except for the racing commission
7 and laboratory analysis program appropriations, shall be reduced
8 proportionately if revenues to the Michigan agriculture equine
9 industry development fund decline during the fiscal year ending
10 September 30, 2017 to a level lower than the amount appropriated in
11 part 1.

12 Sec. 978. The Michigan gaming control board shall use actual
13 expenditure data in determining the actual regulatory costs of
14 conducting racing dates and shall provide that data to the senate
15 and house appropriations subcommittees on agriculture and general
16 government, the state budget office, and the senate and house
17 fiscal agencies. The Michigan gaming control board shall not be
18 reimbursed for more than the actual regulatory cost of conducting
19 race dates. If a certified horsemen's organization funds more than
20 the actual regulatory cost, the balance shall remain in the
21 agriculture equine industry development fund to be used to fund
22 subsequent race dates conducted by race meeting licensees with
23 which the certified horsemen's organization has contracts. If a
24 certified horsemen's organization funds less than the actual
25 regulatory costs of the additional horse racing dates, the Michigan
26 gaming control board shall reduce the number of future race dates
27 conducted by race meeting licensees with which the certified

1 horsemen's organization has contracts. Prior to the reduction in
2 the number of authorized race dates due to budget deficits, the
3 executive director of the Michigan gaming control board shall
4 provide notice to the certified horsemen's organizations with an
5 opportunity to respond with alternatives. In determining actual
6 costs, the Michigan gaming control board shall take into account
7 that each specific breed may require different regulatory
8 mechanisms.

9 Sec. 979. In addition to the funds appropriated in part 1, the
10 Michigan gaming control board may receive and expend state lottery
11 fund revenue in an amount not to exceed \$4,000,000.00 for necessary
12 expenses incurred in the licensing and regulation of millionaire
13 parties pursuant to Executive Order No. 2012-4. In accordance with
14 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
15 382, MCL 432.108, the amount of necessary expenses shall not exceed
16 the amount of revenue received under that act. The Michigan gaming
17 control board shall provide a report to the senate and house of
18 representatives appropriations subcommittees on general government,
19 the senate and house fiscal agencies, and the state budget office
20 by April 15. The report shall include, but not be limited to, total
21 expenditures related to the licensing and regulating of millionaire
22 parties, steps taken to ensure charities are receiving revenue due
23 to them, progress on promulgating rules to ensure compliance with
24 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
25 to 432.120, and any enforcement actions taken.

26 **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT**

1 Sec. 980. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$30,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 under section 393(2) of the management and budget act,
6 1984 PA 431, MCL 18.1393.

7 (2) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$10,000,000.00 for state
9 restricted contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

13 (3) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$2,000,000.00 for private
15 contingency funds. These funds are not available for expenditure
16 until they have been transferred to another line item in part 1
17 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (4) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$2,000,000.00 for local
21 contingency funds. These funds are not available for expenditure
22 until they have been transferred to another line item in part 1
23 under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 Sec. 981. Total authorized appropriations from all sources
26 under part 1 for legacy costs for the fiscal year ending September
27 30, 2017 are \$35,083,100.00. From this amount, total agency

1 appropriations for pension-related legacy costs are estimated at
2 \$19,452,700.00. Total agency appropriations for retiree health care
3 legacy costs are estimated at \$15,630,400.00.

4 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

5 Sec. 990. MSHDA shall annually present a report to the state
6 budget office and the subcommittees on the status of the
7 authority's housing production goals under all financing programs
8 established or administered by the authority. The report shall give
9 special attention to efforts to raise affordable multifamily
10 housing production goals.

11 Sec. 994. In addition to the funds appropriated in part 1, the
12 funds collected by state historic preservation programs for
13 document reproduction and services and application fees are
14 appropriated for all expenses necessary to provide the required
15 services. These funds are available for expenditure when they are
16 received and may be carried forward into the succeeding fiscal
17 year.

18 Sec. 995. In addition to the amounts appropriated in part 1,
19 the land bank fast track authority may expend revenues received
20 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
21 124.774, for the purposes authorized by the act, including, but not
22 limited to, the acquisition, lease, management, demolition,
23 maintenance, or rehabilitation of real or personal property,
24 payment of debt service for notes or bonds issued by the authority,
25 and other expenses to clear or quiet title property held by the
26 authority.

27 **MICHIGAN STRATEGIC FUND**

1 Sec. 1005. In addition to the appropriations in part 1, Travel
2 Michigan may receive and expend private revenue related to the use
3 of "Pure Michigan" and all other copyrighted slogans and images.
4 This revenue may come from the direct licensing of the name and
5 image or from the royalty payments from various merchandise sales.
6 Revenue collected is appropriated for the marketing of the state as
7 a travel destination. The funds are available for expenditure when
8 they are received by the department of treasury. The fund shall
9 provide a report that lists the revenues by source received from
10 the use of "Pure Michigan" and all other copyrighted slogans and
11 images. The report shall provide a detailed list of expenditures of
12 revenues received under this section. The report shall be provided
13 to the appropriations subcommittees on general government, the
14 fiscal agencies, and the state budget office by March 15.

15 Sec. 1007. (1) The fund shall provide reports to the relevant
16 subcommittees, the state budget director, and the fiscal agencies
17 concerning the activities of the MEDC grants and investment
18 programs financed from the fund using investment, Indian gaming
19 revenues, or other revenues. The report shall provide a list of
20 individual grants, loans, and investments made from the fund or by
21 the MEDC from the funds appropriated in part 1 and shall include
22 the name of the recipient, the amount awarded to the recipient, and
23 the purpose of the grant. The activities report shall also include,
24 but not be limited to, the following programs funded in part 1:

25 (a) Travel Michigan, including any expenditures authorized
26 under section 89b of the Michigan strategic fund act, 1984 PA 270,
27 MCL 125.2089b, to supplement the Michigan promotion program or Pure

1 Michigan programs. The report shall include the number of
2 commercials produced, the types of media purchased, and the target
3 of tourism promotion used in Michigan tourism promotion material.

4 (b) Business attraction, retention, and growth, including any
5 expenditures authorized under section 89b of the Michigan strategic
6 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
7 business marketing program. The report shall include the number of
8 commercials produced, the markets in which media buys have been
9 made, and any web-based products that were created as a result of
10 this appropriation.

11 (c) Community development block grants.

12 (d) Strategic fund administration.

13 (e) Renaissance zones.

14 (f) 21st century investment program.

15 (g) Michigan business development program.

16 (h) Community revitalization program.

17 (i) Core community fund.

18 (j) Any other programs of the fund.

19 (2) As a condition of the expenditure of funds appropriated in
20 part 1 for business attraction and community revitalization, the
21 fund shall submit a report to the chairpersons of the senate and
22 house of representatives standing committees on appropriations, the
23 chairpersons of the senate and house of representatives standing
24 committees on appropriations subcommittees on general government,
25 the senate and house fiscal agencies, and the state budget office
26 that provides performance metrics for the Michigan business
27 development program and community revitalization program. The

1 report shall include, but is not limited to, all of the following
2 for all appropriated funds that are available during the fiscal
3 year:

4 (a) Total verified jobs created, as required by statute,
5 compared to total committed jobs.

6 (b) Total actual private investment compared to total
7 projected private investment.

8 (c) An estimate of the return on investment to the state as a
9 result of the incentives.

10 (d) A listing of projects previously awarded incentives that
11 were revoked and the reason for revocation.

12 (e) A listing of projects that had incentive contracts amended
13 by the fund or MEDC. The listing shall include a detailed listing
14 of the amendments made to the contract.

15 (3) The reports in subsections (1) and (2) shall be submitted
16 by March 15. The report for each program in subsection (1)(a)
17 through (j) shall include details on all revenue sources, actual
18 expenditures, and number of FTEs for that program for the previous
19 fiscal year. For any programs operated under the Michigan strategic
20 fund act, the requirements in subsections (1), (2)(a), and (2)(b)
21 may be met if the report required under section 9 of the Michigan
22 strategic fund act, 1984 PA 270, MCL 125.2009, is provided by March
23 15.

24 Sec. 1008. As a condition of receiving funds under part 1, any
25 interlocal agreement entered into by the fund shall include
26 language which states that if a local unit of government has a
27 contract or memorandum of understanding with a private economic

1 development agency, the MEDC will work cooperatively with that
2 private organization in that local area.

3 Sec. 1009. (1) Of the funds appropriated to the fund or
4 through grants to the MEDC, no funds shall be expended for the
5 purchase of options on land or the purchase of land unless at least
6 1 of the following conditions applies:

7 (a) The land is located in an economically distressed area.

8 (b) The land is obtained through a purchase or exercise of an
9 option at the invitation of the local unit of government and local
10 economic development agency.

11 (2) Consideration may be given to purchases where the proposed
12 use of the land is consistent with a regional land use plan, will
13 result in the redevelopment of an economically distressed area, can
14 be supported by existing infrastructure, and will not cause shifts
15 in population away from the area's population centers.

16 (3) As used in this section, "economically distressed area"
17 means an area in a city, village, or township that has been
18 designated as blighted; a city, village, or township that shows
19 negative population change from 1970 and a poverty rate and
20 unemployment rate greater than the statewide average; or an area
21 certified as a neighborhood enterprise zone under the neighborhood
22 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

23 Sec. 1010. As a condition for receiving funds in part 1, not
24 later than March 15, the fund shall provide a report for the
25 immediately preceding fiscal year on the jobs for Michigan
26 investment fund, created in section 88h of the Michigan strategic
27 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted

1 to the chairpersons of the senate and house of representatives
2 standing committees on appropriations, the chairpersons of the
3 senate and house of representatives standing committees on
4 appropriations subcommittees on general government, the senate and
5 house fiscal agencies, and the state budget office. The report
6 shall include, but is not limited to, all of the following:

7 (a) A detailed listing of revenues, by fund source, to the
8 jobs for Michigan investment fund. The listing shall include the
9 manner and reason for which the funds were appropriated to the jobs
10 for Michigan investment fund.

11 (b) A detailed listing of expenditures, by project, from the
12 jobs for Michigan investment fund.

13 (c) A fiscal year-end balance of the jobs for Michigan
14 investment fund.

15 Sec. 1011. (1) From the appropriations in part 1 to the fund
16 and granted or transferred to the MEDC, any unexpended or
17 unencumbered balance shall be disposed of in accordance with the
18 requirements in the management and budget act, 1984 PA 431, MCL
19 18.1101 to 18.1594, unless carryforward authorization has been
20 otherwise provided for.

21 (2) Any encumbered funds shall be used for the same purposes
22 for which funding was originally appropriated in this part and part
23 1.

24 Sec. 1012. (1) As a condition of receiving funds under part 1,
25 the fund shall ensure that the MEDC and the fund comply with all of
26 the following:

27 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to

1 15.246.

2 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

3 (c) Annual audits of all financial records by the auditor
4 general or his or her designee.

5 (d) All reports required by law to be submitted to the
6 legislature.

7 (2) If the MEDC is unable for any reason to perform duties
8 under this part, the fund may exercise those duties.

9 Sec. 1013. As a condition for receiving the appropriations in
10 part 1, any staff of the MEDC involved in private fund-raising
11 activities shall not be party to any decisions regarding the
12 awarding of grants, incentives, or tax abatements from the fund,
13 the MEDC, or the Michigan economic growth authority.

14 Sec. 1020. Federal pass-through funds to local institutions
15 and governments that are received in amounts in addition to those
16 included in part 1 and that do not require additional state
17 matching funds are appropriated for the purposes intended. The
18 department may carry forward into the succeeding fiscal year
19 unexpended federal pass-through funds to local institutions and
20 governments that do not require additional state matching funds.
21 The department shall report the amount and source of the funds to
22 the senate and house appropriation subcommittees on general
23 government, the senate and house fiscal agencies, and the state
24 budget office within 10 business days after receiving any
25 additional pass-through funds.

26 Sec. 1024. From the funds appropriated in part 1 for business
27 attraction and community revitalization, not less than

1 \$20,000,000.00 shall be granted by the fund board for brownfield
2 redevelopment and historic preservation projects under the
3 community revitalization program authorized by chapter 8C of the
4 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
5 125.2090d.

6 Sec. 1032. (1) The department shall report to the
7 subcommittees, the state budget director, and the fiscal agencies
8 on the status of the film incentives at the same time as it submits
9 the annual report required under section 455 of the Michigan
10 business tax act, 2007 PA 36, MCL 208.1455. The department of
11 treasury shall provide the department of talent and economic
12 development with the data necessary to prepare the report.
13 Incentives included in the report shall include all of the
14 following:

15 (a) The tax credit provided under section 455 of the Michigan
16 business tax act, 2007 PA 36, MCL 208.1455.

17 (b) The tax credit provided under section 457 of the Michigan
18 business tax act, 2007 PA 36, MCL 208.1457.

19 (c) The tax credit provided under section 459 of the Michigan
20 business tax act, 2007 PA 36, MCL 208.1459.

21 (d) The amount of any tax credit claimed under former section
22 367 of the income tax act of 1967, 1967 PA 281.

23 (e) Any tax credits provided for film and digital media
24 production under the Michigan economic growth authority act, 1995
25 PA 24, MCL 207.801 to 207.810.

26 (f) Loans to an eligible production company or film and
27 digital media private equity fund authorized under section 88d(3),

1 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
2 125.2088d.

3 (2) The report shall include all of the following information:

4 (a) For each tax credit, the number of contracts signed, the
5 projected expenditures qualifying for the credit, and the estimated
6 value of the credits. For loans, the number of loans made under
7 each section, the interest rate of those loans, the loan amount,
8 the percent of the projected budget of each production financed by
9 those loans, and the estimated interest earnings from the loan.

10 (b) For credits authorized under section 455 of the Michigan
11 business tax act, 2007 PA 36, MCL 208.1455, for productions
12 completed by December 31, the expenditures of each production
13 eligible for the credit that has filed a request for certificate of
14 completion with the film office, broken down into expenditures for
15 goods, services, or salaries and wages and showing separately
16 expenditures in each local unit of government, including
17 expenditures for personnel, whether or not they were made to a
18 Michigan entity, and whether or not they were taxable under the
19 laws of this state. For loans, the report shall include the number
20 of loans that have been fully repaid, with principal and interest
21 shown separately, and the number of loans that are delinquent or in
22 default, and the amount of principal that is delinquent or is in
23 default.

24 (c) For each of the tax credit incentives and loan incentives
25 listed in subsection (1), a breakdown for each project or
26 production showing each of the following:

27 (i) The number of temporary jobs created.

1 (ii) The number of permanent jobs created.

2 (iii) The number of persons employed in Michigan as a result
3 of the incentive, on a full-time equated basis.

4 (3) For any information not included in the report due to the
5 provisions of section 455(6), 457(6), or 459(6) of the Michigan
6 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
7 the report shall do all of the following:

8 (a) Indicate how the information would describe the commercial
9 and financial operations or intellectual property of the company.

10 (b) Attest that the information has not been publicly
11 disseminated at any time.

12 (c) Describe how disclosure of the information may put the
13 company at a competitive disadvantage.

14 (4) Any information not disclosed due to the provisions of
15 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
16 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
17 presented at the lowest level of aggregation that would no longer
18 describe the commercial and financial operations or intellectual
19 property of the company.

20 Sec. 1033. As a condition of receiving funds in part 1, not
21 later than March 15, the department of talent and economic
22 development shall provide a report on the activities of the
23 Michigan film and digital media office for the immediately
24 preceding fiscal year. The report shall be submitted to the
25 chairpersons of the senate and house of representatives
26 subcommittees on general government, the senate and house fiscal
27 agencies, and the state budget office. The report shall include,

1 but not be limited to, a listing of all projects the Michigan film
2 and digital media office provided assistance on, a listing of the
3 services provided for each project, and an estimate of investment
4 leveraged.

5 Sec. 1034. Each business incubator or accelerator that
6 received an award from the fund shall maintain and update a
7 dashboard of indicators to measure the effectiveness of the
8 business incubator and accelerator programs. Indicators shall
9 include the direct jobs created, new companies launched as a direct
10 result of business incubator or accelerator involvement, businesses
11 expanded as a direct result of business incubator or accelerator
12 involvement, direct investment in client companies, private equity
13 financing obtained by client companies, grant funding obtained by
14 client companies, and other measures developed by the recipient
15 business incubators and accelerators in conjunction with the MEDC.
16 Dashboard indicators shall be reported for the prior fiscal year
17 and cumulatively, if available. Each recipient shall submit a copy
18 of their dashboard indicators to the fund by March 1. The fund
19 shall transmit the local reports to the senate and house of
20 representatives appropriations subcommittees on general government,
21 the senate and house fiscal agencies, and the state budget office
22 by March 15.

23 Sec. 1035. (1) From the appropriation in part 1, the Michigan
24 council for arts and cultural affairs shall administer an arts and
25 cultural grant program that maintains an equitable geographic
26 distribution of funding and utilizes past arts and cultural grant
27 programs as a guideline for administering this program. The council

1 shall do all of the following:

2 (a) On or before October 1, the fund shall publish proposed
3 application criteria, instructions, and forms for use by eligible
4 applicants. The fund shall provide at least a 2-week period for
5 public comment before finalizing the application criteria,
6 instructions, and forms.

7 (b) A nonrefundable application fee may be assessed for each
8 application. Application fees shall be deposited in the council for
9 the arts fund and are appropriated for expenses necessary to
10 administer the programs. These funds are available for expenditure
11 when they are received and may be carried forward to the following
12 fiscal year.

13 (c) Grants are to be made to public and private arts and
14 cultural entities.

15 (d) Within 1 business day after the award announcements, the
16 council shall provide to each member of the legislature and the
17 fiscal agencies a list of all grant recipients and the total award
18 given to each recipient, sorted by county.

19 (2) The appropriation in part 1 for arts and cultural program
20 shall not be used for the administration of the grant program.

21 Sec. 1036. (1) The general fund/general purpose funds
22 appropriated in part 1 to the fund for business attraction and
23 community revitalization shall be transferred to the 21st century
24 jobs trust fund per section 90b(3) of the Michigan strategic fund
25 act, 1984 PA 270, MCL 125.2090b.

26 (2) Funds transferred to the 21st century jobs trust fund
27 under subsection (1) are appropriated and available for allocation

1 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
2 125.2001 to 125.2094.

3 Sec. 1038. (1) From the funds appropriated in part 1, the
4 department shall work with Michigan State University to gather
5 information and create an annual progress report on the
6 construction of the Facility for Rare Isotope Beams. The report
7 shall include, but is not limited to, the following information:

8 (a) If construction is ahead of the scheduled timeline made
9 with the United States Department of Energy at the end of the
10 previous fiscal year and the number of weeks.

11 (b) If the cost of construction is under or over the amount
12 projected for the previous fiscal year and the amount.

13 (c) The number of Michigan companies that have been contracted
14 for the project, the total amount of those contracts, and number of
15 permanent and temporary employees employed in the previous fiscal
16 year.

17 (2) The department shall report to the state budget director,
18 appropriations subcommittees, senate and house appropriation
19 subcommittees on general government, and senate and house fiscal
20 agencies by March 15. If information is not provided by Michigan
21 State University by March 15, the department shall provide notice
22 of steps taken to get the required information and when it will be
23 available.

24 Sec. 1040. As a condition of receiving funds in part 1, the
25 department of talent and economic development shall utilize MAIN,
26 or a successor MDTMB-administered administrative information system
27 used across state government, as an appropriation and expenditure

1 reporting system to track all financial transactions with
2 individual vendors, contractual partners, grantees, recipients of
3 business incentives, and recipients of other economic assistance.
4 Encumbrances and expenditures shall be reported in a timely manner.

5 Sec. 1041. From the funds appropriated in part 1 for business
6 attraction and community revitalization, the fund shall request the
7 transfer by the state treasurer of not more than 60% of the funds
8 prior to April 1.

9 Sec. 1042. For the funds appropriated in part 1 for business
10 attraction and community revitalization, the fund shall report
11 quarterly on the amount of funds considered appropriated, pre-
12 encumbered, encumbered, and expended. The report shall also include
13 a listing of appropriations for business attraction and community
14 revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, 2013
15 PA 59, and 2014 PA 252, that were considered appropriated, pre-
16 encumbered, encumbered, or expended that have lapsed back to the
17 fund for any purpose. The report shall be submitted to the
18 chairpersons of the senate and house of representatives standing
19 committees on appropriations, the chairpersons of the senate and
20 house of representatives standing committees on appropriations
21 subcommittees on general government, the senate and house fiscal
22 agencies, and the state budget office.

23 Sec. 1043. (1) The fund, in conjunction with the department of
24 treasury, shall report to the senate and house of representatives
25 appropriations subcommittees on general government, the senate and
26 house fiscal agencies, and the state budget office by November 1 on
27 the annual cost of the Michigan economic growth authority tax

1 credits. The report shall include for each year the board-approved
2 credit amount, adjusted for credit amendments where applicable, and
3 the actual and projected value of tax credits for each year from
4 1995 to the expiration of the credit program. For years for which
5 credit claims are complete, the report shall include the total of
6 actual certificated credit amounts. For years for which claims are
7 still pending or not yet submitted, the report shall include a
8 combination of actual credits where available and projected
9 credits. Credit projections shall be based on updated estimates of
10 employees, wages, and benefits for eligible companies.

11 (2) In addition to the report under subsection (1), the fund,
12 in conjunction with the department of treasury, shall report to the
13 senate and house of representatives appropriations subcommittees on
14 general government, the senate and house fiscal agencies, and the
15 state budget office by November 1 on the annual cost of all other
16 certificated credits by program, for each year until the credits
17 expire or can no longer be collected. The report shall include
18 estimates on the brownfield redevelopment credit, film credits,
19 MEGA photovoltaic technology credit, MEGA polycrystalline silicon
20 manufacturing credit, MEGA vehicle battery credit, and other
21 certificated credits.

22 Sec. 1046. (1) From the one-time funds appropriated in part 1
23 for special grants, \$275,000.00 shall be awarded to a charitable
24 nonprofit community health care center located in a city with a
25 population greater than 600,000 according to the most recent
26 federal decennial census.

27 (2) From the one-time funds appropriated in part 1 for special

1 grants, \$50,000.00 shall be awarded to a nonprofit community
2 development corporation in a city with a population greater than
3 600,000 according to the most recent federal decennial census.

4 (3) From the one-time funds appropriated in part 1 for special
5 grants, \$30,000.00 shall be awarded for a greenhouse renovation at
6 a high school located in a county with a population greater than
7 1,700,000 and in a city with a population of between 62,000 and
8 64,000 according to the most recent federal decennial census.

9 (4) From the one-time funds appropriated in part 1 for special
10 grants, \$95,000.00 shall be awarded for repairs at a park located
11 in a county with a population greater than 1,700,000 and in a city
12 with a population of between 62,000 and 64,000 according to the
13 most recent federal decennial census.

14 (5) From the one-time funds appropriated in part 1 for special
15 grants, \$100,000.00 shall be awarded for upgrading computer
16 hardware at a school located in a county with a population greater
17 than 1,700,000 and in a charter township with a population of
18 between 48,000 and 49,000 according to the most recent federal
19 decennial census.

20 (6) From the one-time funds appropriated in part 1 for special
21 grants, \$100,000.00 shall be awarded for a recreation complex
22 located in a county with a population greater than 1,700,000 and in
23 a city with a population between 17,000 and 18,000 according to the
24 most recent federal decennial census.

25 (7) From the one-time funds appropriated in part 1 for special
26 grants, \$100,000.00 shall be awarded to a justice center located in
27 a city with a population greater than 600,000 according to the most

1 recent federal decennial census.

2 (8) From the one-time funds appropriated in part 1 for special
3 grants, \$75,000.00 shall be awarded to a women's shelter located in
4 a city with a population greater than 600,000 according to the most
5 recent federal decennial census.

6 (9) From the one-time funds appropriated in part 1 for special
7 grants, \$950,000.00 shall be awarded as a grant to a financially
8 distressed city that has a level 3, high-priority capital
9 improvement that has a cost estimate above \$10,000,000.00, has
10 local matching dollars, and has previously applied to the
11 financially distressed cities, villages, and townships fund, but
12 has not been awarded any previous grants.

13 (10) From the one-time funds appropriated in part 1 for
14 special grants, \$800,000.00 shall be awarded as a parking
15 redevelopment grant to a state park that is less than 50 acres and
16 is connected to a multi-city trolley system.

17 (11) From the one-time funds appropriated in part 1 for
18 special grants, \$250,000.00 shall be awarded for capital repayments
19 on a water tower that has deteriorated lead paint inside of the
20 well, operates a wellhead protection plan, is over 30 years old,
21 and has \$100,000.00 in matching funds located in a county with a
22 population between 135,000 and 137,000 and in a village with a
23 population between 900 and 1,100 according to the most recent
24 federal decennial census.

25 (12) From the one-time funds appropriated in part 1 for
26 special grants, \$500,000.00 shall be awarded to support capital
27 improvements to an African American museum in a city with a

1 population greater than 600,000 according to the most recent
2 federal decennial census.

3 (13) From the one-time funds appropriated in part 1 for
4 special grants, \$2,500,000.00 shall be awarded to support a youth
5 fair in a county with a population between 600,000 and 610,000
6 according to the most recent federal decennial census.

7 (14) From the one-time funds appropriated in part 1 for
8 special grants, \$2,500,000.00 shall be awarded for park
9 improvements at a park located in a county with a population
10 between 600,000 and 610,000 and in a charter township with a
11 population between 5,900 and 6,100 according to the most recent
12 federal decennial census.

13 (15) From the one-time funds appropriated in part 1 for
14 special grants, \$100,000.00 shall be awarded for a recreation
15 complex located in a county with a population greater than
16 1,700,000 and in a city with a population of between 84,000 and
17 85,000 according to the most recent federal decennial census.

18 (16) From the one-time funds appropriated in part 1 for
19 special grants, \$25,000.00 shall be awarded to a community center
20 in a city with a population greater than 600,000 according to the
21 most recent federal decennial census.

22 (17) From the one-time funds appropriated in part 1 for
23 special grants, \$100,000.00 shall be awarded to a
24 multidisciplinary, nonprofit architecture and urban design firm in
25 a city with a population greater than 600,000 according to the most
26 recent federal decennial census.

27 (18) From the one-time funds appropriated in part 1 for

1 special grants, \$1,000,000.00 shall be awarded to an independent
2 biomedical research and science education organization in a county
3 with a population between 600,000 and 610,000 and a city with a
4 population between 187,000 and 189,000 according to the most recent
5 federal decennial census to be used for matching federal funds,
6 private and nonprofit grants, and private contributions.

7 (19) From the funds appropriated in part 1 for special grants,
8 \$200,000.00 shall be awarded to support a farmer's market in a
9 county with a population between 172,000 and 173,000 and a city
10 with a population between 38,000 and 40,000 according to the most
11 recent federal decennial census.

12 (20) From the funds appropriated in part 1 for special grants,
13 \$250,000.00 shall be awarded to a consortium that develops unmanned
14 aerial systems technology and has a teaming agreement or
15 partnership with a Federal Aviation Administration designated
16 testing site. The consortium must also be working with a community
17 college that has received a skilled trades equipment fund grant and
18 is using a portion of the grant to purchase equipment for unmanned
19 aerial systems technology for education.

20 (21) From the one-time funds appropriated in part 1 for
21 special grants, \$2,000,000.00 shall be awarded to Kalamazoo Valley
22 Community College to support the healthy living campus.

23 **TALENT INVESTMENT AGENCY**

24 Sec. 1060. The talent investment agency shall administer the
25 PATH training program in accordance with the requirements of
26 section 407(d) of title IV of the social security act, 42 USC 607,
27 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,

1 and all other applicable laws and regulations.

2 Sec. 1061. From the funds appropriated in part 1 for workforce
3 programs subgrantees, the talent investment agency may allocate
4 funding for grants to nonprofit organizations that offer programs
5 pursuant to the workforce investment act of 1998, 29 USC 2801 to
6 2945, or the workforce innovation and opportunity act, 29 USC 3101
7 to 3361, eligible youth focusing on pre-apprenticeship and
8 apprenticeship activities, entrepreneurship, work-readiness skills,
9 job shadowing, and financial literacy. Organizations eligible for
10 funding under this section must have the capacity to provide
11 similar programs in urban areas, as determined by the United States
12 Bureau of the Census according to the most recent federal decennial
13 census. Additionally, programs eligible for funding under this
14 section must include the participation of local business partners.
15 The talent investment agency shall develop other appropriate
16 eligibility requirements to ensure compliance with applicable
17 federal rules and regulations.

18 Sec. 1062. The talent investment agency shall make available,
19 in person or by telephone, 1 disabled veterans outreach program
20 specialist or local veterans employment representative to Michigan
21 Works! service centers, as resources permit, during hours of
22 operation, and shall continue to make the appropriate placement of
23 veterans and disabled veterans a priority.

24 Sec. 1063. (1) In addition to the funds appropriated in part
25 1, any unencumbered and unrestricted federal workforce investment
26 act of 1998, 29 USC 2801 to 2945, workforce innovation and
27 opportunity act, 29 USC 3101 to 3361, or trade adjustment

1 assistance funds available from prior fiscal years are appropriated
2 for the purposes originally intended.

3 (2) The talent investment agency shall report by February 15
4 to the subcommittees, the fiscal agencies, and the state budget
5 office on the amount by fiscal year of federal workforce investment
6 act of 1998, 29 USC 2801 to 2945, workforce innovation and
7 opportunity act, 29 USC 3101 to 3361, funds appropriated under this
8 section.

9 Sec. 1065. The talent investment agency shall publish data and
10 reports quarterly on the agency website concerning the status of
11 the career technology and skilled trades training program funded in
12 part 1. The report shall include the following:

13 (a) The number of awardees participating in the program and
14 the names of those awardees organized by major industry group.

15 (b) The amount of funding received by each awardee under the
16 program.

17 (c) Amount of funding leveraged from each awardee or other
18 funding source for each awardee project.

19 (d) Training models established by each awardee.

20 (e) The number of individuals enrolled in a skilled trades
21 training program by awardee.

22 (f) The number of individuals who completed the program and
23 were hired by awardee.

24 (g) The number of applications received and the number of
25 applications approved for each region.

26 (h) The department of talent and economic development shall
27 expand workforce training and reemployment services to better

1 connect workers to in-demand jobs and identify specific outcomes
2 with performance metrics for this initiative, including, but not
3 limited to, new apprenticeships, jobs created, jobs retained,
4 training completed, and employment retention rate at 6 months, and
5 hourly wage at 6 months.

6 Sec. 1066. As a condition of receiving funds in part 1 for the
7 skilled trades training program, the talent investment agency shall
8 administer the program as follows:

9 (a) The talent investment agency shall work cooperatively with
10 grantees to maximize the amount of funds from part 1 that are
11 available for direct training.

12 (b) The talent investment agency, workforce development
13 partners, including regional Michigan Works! agencies, and
14 employers shall collaborate and work cooperatively to prioritize
15 and streamline the expenditure of the funds appropriated in part 1.
16 The talent investment agency shall ensure that the skilled trades
17 training program provides a collaborative statewide network of
18 workforce and employee skill development partners that addresses
19 the employee talent needs throughout the state.

20 (c) The talent investment agency shall ensure that grants are
21 utilized for individual skill enhancement for employees of Michigan
22 businesses including the development of additional opportunities
23 for apprenticeship programs and more advance-tech training
24 programs. Funds shall not be distributed to program and process
25 centered training organization employers.

26 (d) The talent investment agency shall develop program goals
27 and detailed guidance for prospective participants to follow to

1 qualify under the program. The program goals and detailed guidance
2 shall be posted on the talent investment agency website and
3 distributed to workforce development partners, including local
4 Michigan Works! agencies, by October 1. Periodic assessments of
5 employer and employee needs shall be evaluated on a regional basis,
6 and the talent investment agency shall identify solutions and goals
7 to be implemented to satisfy those needs. The talent investment
8 agency shall notify the senate and house of representatives
9 standing committees on appropriations, the senate and house of
10 representatives standing committees on appropriations subcommittees
11 on general government, the senate and house fiscal agencies, and
12 the state budget office on any program goal, solution, or guidance
13 changes not fewer than 14 days prior to the finalization and
14 publication of the changes. Revenue received by the talent
15 investment agency for the skilled trades training program may be
16 expended for the purpose of those programs.

17 (e) Up to \$5,000,000.00 of the funds may be expended to match
18 federal funds. The intent of these funds will involve improving and
19 increasing the skill level of employees in skilled trades in the
20 automotive industry and the manufacturing processes within the
21 changing manufacturing environment.

22 Sec. 1068. (1) Of the funds appropriated in part 1 for the
23 workforce training programs, the talent investment agency shall
24 provide a report by March 15 to the senate and house of
25 representatives standing committees on appropriations subcommittees
26 on general government, the state budget director, and the fiscal
27 agencies on the status of the workforce training programs. The

1 report shall include the following:

2 (a) The amount of funding allocated to each Michigan Works!
3 agency and the total funding allocated to the workforce training
4 programs statewide by fund source.

5 (b) The number of participants enrolled in education or
6 training programs by each Michigan Works! agency.

7 (c) The average duration of training for training program
8 participants by each Michigan Works! agency.

9 (d) The number of participants enrolled in remedial education
10 programs and the number of participants enrolled in literacy
11 programs.

12 (e) The number of participants enrolled in programs at 2-year
13 institutions.

14 (f) The number of participants enrolled in 4-year
15 institutions.

16 (g) The number of participants enrolled in proprietary schools
17 or other technical training programs.

18 (h) The number of participants that have completed education
19 or training programs.

20 (i) The number of participants who secured employment in
21 Michigan within 1 year of completing a training program.

22 (j) The number of participants who completed a training
23 program and secured employment in a field related to their
24 training.

25 (k) The average wage earned by participants who completed a
26 training program and secured employment within 1 year.

27 (l) The actual revenues received by the fund source and fund

1 appropriated for each discrete workforce development program area.

2 (2) Data collection for the report shall be for the prior
3 state fiscal year.

4 Sec. 1076. The unemployment insurance agency shall provide the
5 senate and house appropriations subcommittees on general
6 government, senate and house fiscal agencies, and the state budget
7 office with quarterly status reports on the implementation of and
8 improvements to the agency's integrated system project. The
9 quarterly status reports shall include, but not be limited to, a
10 summary of the expenditures for the project, a summary of the tasks
11 completed, and a summary of the tasks anticipated to be completed
12 in the subsequent quarter.

13 Sec. 1077. The department of talent and economic development
14 shall report quarterly to the members of the house and senate
15 committees on appropriations, the senate and house fiscal agencies,
16 and the state budget director on the percentage of unemployment
17 claimants that meet the certification requirements for receiving
18 benefits by using the Internet Michigan web account manager system
19 or any application developed for that purpose. The department of
20 talent and economic development shall implement improvements to the
21 Internet Michigan web account manager system that promote greater
22 ease of access and security with a goal of reaching 75% of users
23 certifying by using the Internet Michigan web account manager
24 system or another system that reduces staff face time and Michigan
25 automated response voice interactive network telephone system
26 usage.

27 Sec. 1078. (1) From the funds appropriated in part 1 for the

1 unemployment insurance agency, the department of talent and
2 economic development shall maintain customer service standards for
3 employers and claimants making use of the various means by which
4 they can access the system.

5 (2) The department of talent and economic development shall
6 identify specific outcomes and performance metrics for this
7 initiative, including, but not limited to, the following:

8 (a) Unemployment benefit fund balance.

9 (b) Process improvement - fiscal integrity.

10 (c) Process improvement - determination timeliness.

11 (d) Process improvement - determination quality.

12 Sec. 1079. (1) The talent investment agency shall extend the
13 interagency agreement with the department of health and human
14 services for the duration of the current fiscal year, which
15 concerns TANF funding to provide job readiness and welfare-to-work
16 programming. The interagency agreement shall include specific
17 outcome and performance reporting requirements as described in this
18 section. TANF funding provided to the talent investment agency in
19 the current fiscal year is contingent on compliance with the data
20 and reporting requirements described in this section. The
21 interagency agreement shall require the talent investment agency to
22 provide all of the following items for the previous year to the
23 senate and house appropriations committees by January 1 of the
24 current fiscal year:

25 (a) An itemized spending report on TANF funding, including all
26 of the following:

27 (i) Direct services to clients.

1 (ii) Administrative expenditures.

2 (b) The number of family independence program clients served
3 through the TANF funding, including all of the following:

4 (i) The number and percentage who obtained employment through
5 Michigan Works!

6 (ii) The number and percentage who fulfilled their TANF work
7 requirement through other job readiness programming.

8 (iii) Average TANF spending per client.

9 (iv) The number and percentage of clients who were referred to
10 Michigan Works! but did not receive a job or job readiness
11 placement and the reasons why.

12 (2) Not later than March 15 of the current fiscal year, the
13 department shall provide to the senate and house appropriations
14 subcommittees on the department budget, the senate and house fiscal
15 agencies, and the senate and house policy offices an annual report
16 on the following matters itemized by Michigan Works! agency: the
17 number of referrals to Michigan Works! job readiness programs, the
18 number of referrals to Michigan Works! job readiness programs who
19 became a participant in the Michigan Works! job readiness programs,
20 the number of participants who obtained employment, and the cost
21 per participant case.

22 Sec. 1080. (1) From the funds appropriated in part 1 for
23 community ventures, the department of talent and economic
24 development may expend not more than \$2,000,000.00 of the funds as
25 matching funds upon the commitment of matching dollars from private
26 sources. For every \$1.00 the department of talent and economic
27 development elects to receive from a private source for the

1 purposes of a community ventures program match, the department of
2 talent and economic development shall expend \$1.00 from the
3 appropriation in part 1 up to \$2,000,000.00. Funds received from
4 private sources for a community ventures program match are
5 appropriated upon receipt and shall be expended for the purposes of
6 the community ventures program.

7 (2) The department shall identify specific outcomes and
8 performance measures for this initiative, including, but not
9 limited to, the following:

10 (a) The number of commitments from private sources, including
11 the dollar amount committed and source.

12 (b) Additional participants served with challenge funds.

13 (c) Jobs created and the average wage.

14 Sec. 1081. (1) From the funds appropriated in part 1 for
15 statewide system for data integration, the department shall
16 establish new information technology systems to integrate data for
17 talent and pipeline development to track and report workforce
18 development activities and provide for sustained and expanded
19 longitudinal data analysis between state departments.

20 (2) The department shall identify specific outcomes and
21 performance metrics for this initiative, including, but not limited
22 to, the following:

23 (a) Job placements and retention at 6 months.

24 (b) Apprenticeships completed.

25 (c) Average wage.

26 Sec. 1083. From the one-time funds appropriated in part 1 for
27 the sustainable employment pilot program, the department of talent

1 and economic development shall create or contract with another
2 entity to provide a pilot program that focuses on moving
3 individuals off of government assistance programs and measuring the
4 corresponding savings to the state of Michigan. The pilot program
5 shall work with local community and workforce development agencies
6 and focus on long-term results.

7 **STATE BUILDING AUTHORITY**

8 Sec. 1100. (1) Subject to section 242 of the management and
9 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
10 state building authority, the department of treasury may expend
11 from the general fund of the state during the fiscal year an amount
12 to meet the cash flow requirements of those state building
13 authority projects solely for lease to a state agency identified in
14 both part 1 and this section, and for which state building
15 authority bonds or notes have not been issued, and for the sole
16 acquisition by the state building authority of equipment and
17 furnishings for lease to a state agency as permitted by 1964 PA
18 183, MCL 830.411 to 830.425, for which the issuance of bonds or
19 notes is authorized by a legislative appropriation act that is
20 effective for the immediately preceding fiscal year. Any general
21 fund advances for which state building authority bonds have not
22 been issued shall bear an interest cost to the state building
23 authority at a rate not to exceed that earned by the state
24 treasurer's common cash fund during the period in which the
25 advances are outstanding and are repaid to the general fund of the
26 state.

1 (2) Upon sale of bonds or notes for the projects identified in
2 part 1 or for equipment as authorized by a legislative
3 appropriation act and in this section, the state building authority
4 shall credit the general fund of the state an amount equal to that
5 expended from the general fund plus interest, if any, as defined in
6 this section.

7 (3) For state building authority projects for which bonds or
8 notes have been issued and upon the request of the state building
9 authority, the state treasurer shall make advances without interest
10 from the general fund as necessary to meet cash flow requirements
11 for the projects, which advances shall be reimbursed by the state
12 building authority when the investments earmarked for the financing
13 of the projects mature.

14 (4) In the event that a project identified in part 1 is
15 terminated after final design is complete, advances made on behalf
16 of the state building authority for the costs of final design shall
17 be repaid to the general fund in a manner recommended by the
18 director.

19 Sec. 1102. (1) State building authority funding to finance
20 construction or renovation of a facility that collects revenue in
21 excess of money required for the operation of that facility shall
22 not be released to a university or community college unless the
23 institution agrees to reimburse that excess revenue to the state
24 building authority. The excess revenue shall be credited to the
25 general fund to offset rent obligations associated with the
26 retirement of bonds issued for that facility. The auditor general
27 shall annually identify and present an audit of those facilities

1 that are subject to this section. Costs associated with the
2 administration of the audit shall be charged against money
3 recovered pursuant to this section.

4 (2) As used in this section, "revenue" includes state
5 appropriations, facility opening money, other state aid, indirect
6 cost reimbursement, and other revenue generated by the activities
7 of the facility.

8 Sec. 1103. The state building authority shall provide to the
9 JCOS and senate and house fiscal agencies a report relative to the
10 status of construction projects associated with state building
11 authority bonds as of September 30 of each year, on or before
12 October 15, or not more than 30 days after a refinancing or
13 restructuring bond issue is sold. The report shall include, but is
14 not limited to, the following:

15 (a) A list of all completed construction projects for which
16 state building authority bonds have been sold, and which bonds are
17 currently active.

18 (b) A list of all projects under construction for which sale
19 of state building authority bonds is pending.

20 (c) A list of all projects authorized for construction or
21 identified in an appropriations act for which approval of
22 schematic/preliminary plans or total authorized cost is pending
23 that have state building authority bonds identified as a source of
24 financing.

25 **REVENUE STATEMENT**

26 Sec. 1201. Pursuant to section 18 of article V of the state

1 constitution of 1963, fund balances and estimates are presented in
 2 the following statement:

3 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

4 (Amounts in millions)

5 Fiscal Year 2016-2017

		Beginning		
		Available	Estimated	Ending
	<u>Fund</u>	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
9 OPERATING FUNDS				
10 General fund/general purpose	0110	136.6	9,840.5	0.3
11 General fund/special purpose		875.0	28,609.1	664.2
12 Special Revenue Funds:				
13 Countercyclical budget and				
14 economic stabilization	0111	611.0	17.9	628.9
15 Game and fish protection	0112	3.5	82.9	3.7
16 Michigan employment security act				
17 administration	0113	0.0	42.1	0.0
18 State aeronautics	0114	2.7	17.6	0.0
19 Michigan veterans' benefit				
20 trust	0115	0.0	3.7	0.0
21 State trunkline	0116	0.0	1,001.5	0.0
22 Michigan state waterways	0117	8.2	30.8	6.5
23 Blue Water Bridge	0118	18.9	23.6	0.0
24 Michigan transportation	0119	0.0	2,514.9	0.0
25 Comprehensive transportation	0120	3.8	316.7	0.0
26 School aid	0122	104.0	12,445.8	0.0

1	21st century jobs fund	0383	81.6	75.0	65.9
2	Detroit public schools trust				
3	fund	NEW	0.0	72.0	0.0
4	Game and fish protection trust	0124	0.0	15.9	0.0
5	State park improvement	0125	12.6	57.5	7.9
6	Forest development	0126	12.7	40.9	8.2
7	Michigan natural resources				
8	trust	0129	13.4	32.9	30.6
9	Michigan state parks endowment	0130	0.5	40.9	0.5
10	Safety education and training	0131	5.2	9.6	4.5
11	Bottle deposit	0136	5.7	14.9	2.6
12	State construction code	0138	7.2	8.4	7.4
13	Children's trust	0139	1.8	1.2	1.2
14	State casino gaming	0140	1.7	0.3	2.0
15	Michigan nongame fish and				
16	wildlife	0143	0.4	0.5	0.3
17	Michigan merit award trust	0154	48.7	28.6	0.0
18	Outdoor recreation legacy	0162	1.1	3.0	1.1
19	Off-road vehicle account	0163	5.7	7.2	5.4
20	Snowmobile account	0164	5.6	11.6	5.5
21	Silicosis dust disease				
22	and logging	0870	1.4	0.9	1.2
23	Utility consumer representation	0893	1.6	1.2	1.5
24	TOTALS		\$1,936.9	\$55,369.6	\$1,449.4

25 ARTICLE X

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2017, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	15,570.5	
Average population	770.0	
GROSS APPROPRIATION.....		\$ 24,841,836,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		13,513,700
ADJUSTED GROSS APPROPRIATION.....		\$ 24,828,323,100
Federal revenues:		
Social security act, temporary assistance for needy families		556,850,000
Capped federal revenues.....		596,489,100
Total other federal revenues.....		16,727,563,100
Special revenue funds:		
Total local revenues.....		124,445,800
Total private revenues.....		154,259,300
Total local and private revenues.....		278,705,100
Michigan merit award trust fund.....		23,807,900
Total other state restricted revenues.....		2,270,359,600

1	State general fund/general purpose	\$ 4,374,548,300
2	Sec. 102. DEPARTMENTWIDE ADMINISTRATION	
3	Full-time equated unclassified positions.....	6.0
4	Full-time equated classified positions.....	687.2
5	Director and other unclassified--6.0 FTE positions ...	\$ 1,119,300
6	Departmental administration and management--493.2	
7	FTE positions	79,489,000
8	Demonstration projects--7.0 FTE positions	7,355,100
9	Developmental disabilities council and	
10	projects--10.0 FTE positions	3,067,000
11	Information technology projects and services	158,998,300
12	Michigan Medicaid information system.....	50,634,400
13	Office of inspector general--177.0 FTE positions	21,633,000
14	Rent and state office facilities.....	62,783,800
15	State office of administrative hearings and rules	11,140,300
16	Terminal pay and other employee costs	5,686,100
17	Worker's compensation program.....	<u>7,956,500</u>
18	GROSS APPROPRIATION.....	\$ 409,862,800
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from department of education.....	2,979,000
22	Federal revenues:	
23	Social security act, temporary assistance for needy	
24	families	44,896,800
25	Capped federal revenues	32,314,000
26	Total other federal revenues	147,838,200
27	Special revenue funds:	

1	Total local revenues.....	16,400
2	Total private revenues.....	23,842,000
3	Total other state restricted revenues.....	2,824,600
4	State general fund/general purpose.....	\$ 155,151,800
5	Sec. 103. CHILD SUPPORT ENFORCEMENT	
6	Full-time equated classified positions.....	185.7
7	Child support enforcement operations--179.7 FTE	
8	positions	\$ 22,151,300
9	Legal support contracts.....	113,359,100
10	Child support incentive payments.....	24,409,600
11	State disbursement unit--6.0 FTE positions.....	8,101,700
12	Child support automation.....	<u>41,877,600</u>
13	GROSS APPROPRIATION.....	\$ 209,899,300
14	Appropriated from:	
15	Federal revenues:	
16	Capped federal revenues.....	11,395,000
17	Total other federal revenues.....	163,998,000
18	Special revenue funds:	
19	State general fund/general purpose.....	\$ 34,506,300
20	Sec. 104. COMMUNITY SERVICES AND OUTREACH	
21	Full-time equated classified positions.....	74.6
22	Bureau of community services and outreach--20.0 FTE	
23	positions	\$ 2,503,700
24	Community services block grant.....	25,840,000
25	Weatherization assistance.....	16,340,000
26	School success partnership program.....	450,000
27	Homeless programs.....	15,721,900

1	Domestic violence prevention and treatment--14.6 FTE	
2	positions	15,766,200
3	Rape prevention and services--0.5 FTE position	5,097,300
4	Child advocacy centers--0.5 FTE position	2,000,000
5	Michigan community service commission--15.0 FTE	
6	positions	11,621,300
7	Housing and support services	13,031,000
8	Crime victim grants administration services--13.0	
9	FTE positions	2,165,100
10	Crime victim justice assistance grants	59,279,300
11	Crime victim rights services grants	16,870,000
12	Community services and outreach administration--11.0	
13	FTE positions	<u>1,709,100</u>
14	GROSS APPROPRIATION	\$ 188,394,900
15	Appropriated from:	
16	Federal revenues:	
17	Social security act, temporary assistance for needy	
18	families	11,686,700
19	Capped federal revenues	66,215,400
20	Total other federal revenues	76,265,100
21	Special revenue funds:	
22	Private - collections	44,100
23	Compulsive gambling prevention fund	1,040,500
24	Sexual assault victims' prevention and treatment fund	3,000,000
25	Child advocacy centers fund	2,000,000
26	Crime victim's rights fund	15,327,200
27	State general fund/general purpose	\$ 12,815,900

1	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
2	WELFARE		
3	Full-time equated classified positions.....	3,896.2	
4	Children's services administration--172.0 FTE		
5	positions		\$ 19,900,700
6	Title IV-E compliance and accountability office--4.0		
7	FTE positions		421,300
8	Child welfare institute--45.0 FTE positions		7,820,400
9	Child welfare field staff - caseload		
10	compliance--2,511.0 FTE positions.....		230,862,600
11	Child welfare field staff - noncaseload		
12	compliance--320.0 FTE positions.....		33,671,400
13	Education planners--15.0 FTE positions		1,521,100
14	Peer coaches--45.5 FTE positions		5,702,100
15	Child welfare first line supervisors--578.0 FTE		
16	positions		72,313,800
17	Second line supervisors and technical staff--54.0		
18	FTE positions		8,833,600
19	Permanency resource managers--28.0 FTE positions		3,170,200
20	Contractual services, supplies, and materials		9,280,000
21	Settlement monitor.....		1,885,800
22	Foster care payments.....		185,628,400
23	Guardianship assistance program.....		11,153,700
24	Child care fund.....		183,375,800
25	Child care fund administration--4.2 FTE positions		592,900
26	Adoption subsidies.....		222,808,700
27	Adoption support services--10.0 FTE positions		27,176,700

1	Youth in transition--4.5 FTE positions	15,301,900
2	Child welfare medical/psychiatric evaluations	10,435,500
3	Psychotropic oversight	618,200
4	Performance based funding implementation--3.0 FTE	
5	positions	1,778,900
6	Family support subsidy	16,951,400
7	Interstate compact	179,600
8	Strong families/safe children	12,350,100
9	Family preservation programs--23.0 FTE positions	38,872,800
10	Family preservation and prevention services	
11	administration--9.0 FTE positions	1,291,300
12	Child abuse and neglect - children's justice	
13	act--1.0 FTE position	621,800
14	Children's trust fund--12.0 FTE positions	3,323,400
15	Attorney general contract	4,321,800
16	Prosecuting attorney contracts	3,061,700
17	Child protection	800,300
18	Child welfare licensing--57.0 FTE positions	6,549,800
19	Child welfare administration travel	<u>375,000</u>
20	GROSS APPROPRIATION	\$ 1,142,952,700
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from department of education	90,200
24	Federal revenues:	
25	Social security act, temporary assistance for needy	
26	families	360,871,800
27	Capped federal revenues	110,163,000

1	Total other federal revenues.....	247,761,700
2	Special revenue funds:	
3	Private - collections.....	2,424,000
4	Local funds - county chargeback.....	14,194,000
5	Children's trust fund.....	2,090,500
6	State general fund/general purpose.....	\$ 405,357,500
7	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
8	JUSTICE	
9	Full-time equated classified positions..... 111.5	
10	W.J. Maxey Training School.....	\$ 500,000
11	Bay Pines Center--42.0 FTE positions.....	4,933,300
12	Shawono Center--42.0 FTE positions.....	5,021,400
13	County juvenile officers.....	3,904,300
14	Community support services--3.0 FTE positions.....	2,110,500
15	Juvenile justice, administration and	
16	maintenance--22.0 FTE positions.....	3,543,700
17	Committee on juvenile justice administration--2.5	
18	FTE positions	350,700
19	Committee on juvenile justice grants.....	<u>3,000,000</u>
20	GROSS APPROPRIATION.....	\$ 23,363,900
21	Appropriated from:	
22	Federal revenues:	
23	Capped federal revenues.....	8,018,200
24	Total other federal revenues.....	5,000
25	Special revenue funds:	
26	Local funds - state share education funds.....	1,324,200
27	Local funds - county chargeback.....	4,502,800

1	State general fund/general purpose.....	\$	9,513,700
2	Sec. 107. PUBLIC ASSISTANCE		
3	Full-time equated classified positions.....	8.0	
4	Family independence program.....	\$	97,669,100
5	State disability assistance payments.....		11,553,800
6	Food assistance program benefits.....		2,348,117,400
7	State supplementation.....		62,259,300
8	State supplementation administration.....		2,381,100
9	Low-income home energy assistance program.....		174,951,600
10	Food Bank Council of Michigan.....		2,045,000
11	Multicultural integration funding.....		13,303,800
12	Indigent burial.....		4,375,000
13	Emergency services local office allocations.....		10,357,500
14	Michigan energy assistance program--1.0 FTE position.		50,000,000
15	Refugee assistance program--7.0 FTE positions.....		<u>27,986,100</u>
16	GROSS APPROPRIATION.....	\$	2,804,999,700
17	Appropriated from:		
18	Federal revenues:		
19	Social security act, temporary assistance for needy		
20	families		61,171,100
21	Capped federal revenues.....		205,500,300
22	Total other federal revenues.....		2,340,249,300
23	Special revenue funds:		
24	Child support collections.....		10,863,700
25	Supplemental security income recoveries.....		5,115,900
26	Public assistance recoupment revenue.....		6,290,000
27	Low-income energy assistance fund.....		50,000,000

1	State general fund/general purpose.....	\$	125,809,400
2	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
3	Full-time equated classified positions.....		6,501.5
4	Public assistance field staff--4,703.5 FTE positions..	\$	475,636,200
5	Contractual services, supplies, and materials		16,282,000
6	Medical/psychiatric evaluations		1,420,100
7	Donated funds positions--538.0 FTE positions		60,878,700
8	Training and program support--20.0 FTE positions		2,432,000
9	Volunteer services and reimbursement		942,400
10	Field policy and administration--66.0 FTE positions ..		10,262,400
11	Adult services field staff--425.0 FTE positions		44,864,400
12	Nutrition education--2.0 FTE positions		23,042,700
13	Employment and training support services		4,219,100
14	Michigan rehabilitation services--526.0 FTE positions		131,221,800
15	Independent living		12,031,600
16	Electronic benefit transfer (EBT)		8,509,000
17	Administrative support workers--221.0 FTE positions ..		12,754,900
18	Elder Law of Michigan MiCAFE contract		350,000
19	Field staff travel		8,103,900
20	SSI advocacy legal services		500,000
21	GROSS APPROPRIATION	\$	813,451,200
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from department of corrections		101,200
25	IDG from department of education		7,678,800
26	Federal revenues:		
27	Social security act, temporary assistance for needy		

1	families	67,455,800
2	Capped federal revenues.....	161,523,300
3	Federal supplemental security income.....	8,588,600
4	Total other federal revenues.....	256,990,200
5	Special revenue funds:	
6	Local funds - donated funds.....	11,067,200
7	Local vocational rehabilitation match.....	6,534,600
8	Private funds - donated funds.....	18,420,200
9	Private funds - gifts, bequests, and donations.....	1,854,600
10	Rehabilitation service fees.....	384,500
11	Second injury fund.....	38,300
12	State general fund/general purpose.....	\$ 272,813,900
13	Sec. 109. DISABILITY DETERMINATION SERVICES	
14	Full-time equated classified positions.....	587.4
15	Disability determination operations--583.3 FTE	
16	positions	\$ 111,392,700
17	Retirement disability determination--4.1 FTE positions	<u>602,900</u>
18	GROSS APPROPRIATION.....	\$ 111,995,600
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from DTMB - office of retirement services.....	778,300
22	Federal revenues:	
23	Total other federal revenues.....	107,784,000
24	State general fund/general purpose.....	\$ 3,433,300
25	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
26	AND SPECIAL PROJECTS	
27	Full-time equated classified positions.....	97.0

1	Behavioral health program administration--77.0 FTE		
2	positions	\$	54,184,200
3	Gambling addiction--1.0 FTE position.....		3,005,900
4	Protection and advocacy services support		194,400
5	Community residential and support services		592,100
6	Federal and other special projects		2,535,600
7	Office of recipient rights--19.0 FTE positions		<u>2,700,000</u>
8	GROSS APPROPRIATION.....	\$	63,212,200
9	Appropriated from:		
10	Federal revenues:		
11	Total other federal revenues		33,062,100
12	Special revenue funds:		
13	Total private revenues		1,004,700
14	Total other state restricted revenues		3,005,900
15	State general fund/general purpose	\$	26,139,500
16	Sec. 111. BEHAVIORAL HEALTH SERVICES		
17	Full-time equated classified positions..... 9.5		
18	Medicaid mental health services	\$	2,336,960,100
19	Community mental health non-Medicaid services		120,050,400
20	Medicaid substance use disorder services		53,392,400
21	Civil service charges		1,499,300
22	Federal mental health block grant--2.5 FTE positions .		15,454,600
23	State disability assistance program substance use		
24	disorder services		2,018,800
25	Community substance use disorder prevention,		
26	education, and treatment		73,811,800
27	Children's waiver home care program.....		20,241,100

1	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,272,000
2	Children with serious emotional disturbance waiver...	10,000,000
3	Health homes.....	3,369,000
4	Healthy Michigan plan - behavioral health.....	247,822,900
5	Autism services.....	61,168,400
6	University autism programs.....	<u>1,000,000</u>
7	GROSS APPROPRIATION.....	\$ 2,959,060,800
8	Appropriated from:	
9	Federal revenues:	
10	Total other federal revenues.....	1,953,136,000
11	Special revenue funds:	
12	Total local revenues.....	25,475,800
13	Total other state restricted revenues.....	22,512,700
14	State general fund/general purpose.....	\$ 957,936,300
15	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
16	MENTAL HEALTH SERVICES	
17	Total average population	770.0
18	Full-time equated classified positions.....	2,220.9
19	Caro Regional Mental Health Center - psychiatric	
20	hospital - adult--461.3 FTE positions.....	\$ 57,270,900
21	Average population	145.0
22	Kalamazoo Psychiatric Hospital - adult--466.1 FTE	
23	positions	65,674,600
24	Average population	170.0
25	Walter P. Reuther Psychiatric Hospital -	
26	adult--420.8 FTE positions	56,872,000
27	Average population	160.0

1	Hawthorn Center - psychiatric hospital - children	
2	and adolescents--265.4 FTE positions.....	29,142,500
3	Average population	55.0
4	Center for forensic psychiatry--607.3 FTE positions ..	81,702,000
5	Average population	240.0
6	Revenue recapture.....	750,000
7	IDEA, federal special education.....	120,000
8	Special maintenance.....	332,500
9	Purchase of medical services for residents of	
10	hospitals and centers	445,600
11	Gifts and bequests for patient living and treatment	
12	environment	<u>1,000,000</u>
13	GROSS APPROPRIATION.....	\$ 293,310,100
14	Appropriated from:	
15	Federal revenues:	
16	Total other federal revenues.....	35,245,300
17	Special revenue funds:	
18	Other local revenues.....	19,886,700
19	Total private revenues.....	1,000,000
20	Total other state restricted revenues.....	19,238,100
21	State general fund/general purpose.....	\$ 217,940,000
22	Sec. 113. HEALTH POLICY	
23	Full-time equated classified positions.....	32.8
24	Bone marrow transplant registry.....	\$ 250,000
25	Certificate of need program administration--12.3 FTE	
26	positions	2,803,800
27	Health innovation grants.....	1,000,000

1	Health policy administration--15.1 FTE positions	11,564,000
2	Human trafficking intervention services	200,000
3	Michigan essential health provider	3,591,300
4	Minority health grants and contracts	612,700
5	Nurse education and research program--3.0 FTE	
6	positions	780,900
7	Primary care services--1.4 FTE positions	4,068,500
8	Rural health services--1.0 FTE position	<u>1,555,500</u>
9	GROSS APPROPRIATION	\$ 26,426,700
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	Interdepartmental grant from the department of	
13	licensing and regulatory affairs	780,900
14	Interdepartmental grant from the department of	
15	treasury, Michigan state hospital finance authority.	117,700
16	Federal revenues:	
17	Total other federal revenues	16,631,200
18	Special revenue funds:	
19	Total private revenues	865,000
20	Total other state restricted revenues	2,686,100
21	State general fund/general purpose	\$ 5,345,800
22	Sec. 114. LABORATORY SERVICES	
23	Full-time equated classified positions	100.0
24	Laboratory services--100.0 FTE positions	\$ <u>20,520,500</u>
25	GROSS APPROPRIATION	\$ 20,520,500
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	Interdepartmental grant from the department of	
2	environmental quality	987,600
3	Federal revenues:	
4	Total other federal revenues	2,326,300
5	Special revenue funds:	
6	Total other state restricted revenues	10,403,900
7	State general fund/general purpose	\$ 6,802,700
8	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
9	EPIDEMIOLOGY	
10	Full-time equated classified positions..... 74.9	
11	Epidemiology administration--43.6 FTE positions	\$ 16,044,500
12	Healthy homes program--8.0 FTE positions	4,254,900
13	Immunization program--12.8 FTE positions	16,872,100
14	Newborn screening follow-up and treatment	
15	services--10.5 FTE positions	<u>7,253,500</u>
16	GROSS APPROPRIATION	\$ 44,425,000
17	Appropriated from:	
18	Federal revenues:	
19	Total other federal revenues	28,704,900
20	Special revenue funds:	
21	Total private revenues	339,400
22	Total other state restricted revenues	9,501,300
23	State general fund/general purpose	\$ 5,879,400
24	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
25	Full-time equated classified positions..... 236.2	
26	AIDS prevention, testing, and care programs--47.7	
27	FTE positions	\$ 70,605,900

1	Cancer prevention and control program--13.0 FTE	
2	positions	15,051,600
3	Chronic disease control and health promotion	
4	administration--27.4 FTE positions.....	6,044,800
5	Dental programs--3.8 FTE positions	3,499,800
6	Diabetes and kidney program--8.0 FTE positions	3,049,100
7	Essential local public health services	40,886,100
8	Health and wellness initiatives--11.7 FTE positions ..	8,994,100
9	Implementation of 1993 PA 133, MCL 333.17015	20,000
10	Local health services--1.3 FTE positions	452,500
11	Medicaid outreach cost reimbursement to local health	
12	departments	9,000,000
13	Public health administration--7.0 FTE positions	1,566,800
14	Sexually transmitted disease control program--20.0	
15	FTE positions	6,279,600
16	Smoking prevention program--12.0 FTE positions	2,142,100
17	Violence prevention--2.9 FTE positions	2,122,500
18	Vital records and health statistics--81.4 FTE	
19	positions	<u>11,932,300</u>
20	GROSS APPROPRIATION.....	\$ 181,647,200
21	Appropriated from:	
22	Federal revenues:	
23	Capped federal revenues.....	81,100
24	Total other federal revenues	71,396,700
25	Special revenue funds:	
26	Total local revenues	5,150,000
27	Total private revenues	39,028,400

1	Total other state restricted revenues	20,164,900
2	State general fund/general purpose	\$ 45,826,100
3	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
4	Full-time equated classified positions..... 110.8	
5	Childhood lead program--2.5 FTE positions	\$ 1,571,400
6	Family, maternal, and child health	
7	administration--49.3 FTE positions.....	8,460,900
8	Family planning local agreements	8,310,700
9	Local MCH services	7,018,100
10	Pregnancy prevention program	602,100
11	Prenatal care outreach and service delivery	
12	support--14.0 FTE positions	19,322,600
13	Special projects	6,289,100
14	Sudden and unexpected infant death and suffocation	
15	program	321,300
16	Women, infants, and children program administration	
17	and special projects--45.0 FTE positions.....	18,014,400
18	Women, infants, and children program local	
19	agreements and food costs	<u>256,285,000</u>
20	GROSS APPROPRIATION	\$ 326,195,600
21	Appropriated from:	
22	Federal revenues:	
23	Social security act, temporary assistance for needy	
24	families	400,000
25	Total other federal revenues	254,324,000
26	Special revenue funds:	
27	Total local revenues	75,000

1	Total private revenues.....	61,702,400
2	State general fund/general purpose.....	\$ 9,694,200
3	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
4	PREPAREDNESS	
5	Full-time equated classified positions.....	75.0
6	Bioterrorism preparedness--52.0 FTE positions.....	\$ 30,207,700
7	Emergency medical services program--23.0 FTE positions	<u>6,563,600</u>
8	GROSS APPROPRIATION.....	\$ 36,771,300
9	Appropriated from:	
10	Federal revenues:	
11	Total other federal revenues.....	31,332,300
12	Special revenue funds:	
13	Total other state restricted revenues.....	4,004,900
14	State general fund/general purpose.....	\$ 1,434,100
15	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
16	Full-time equated classified positions.....	46.8
17	Children's special health care services	
18	administration--44.0 FTE positions.....	\$ 5,990,100
19	Bequests for care and services--2.8 FTE positions....	1,534,800
20	Outreach and advocacy.....	5,510,000
21	Nonemergency medical transportation.....	905,900
22	Medical care and treatment.....	<u>245,874,100</u>
23	GROSS APPROPRIATION.....	\$ 259,814,900
24	Appropriated from:	
25	Federal revenues:	
26	Total other federal revenues.....	120,964,300
27	Special revenue funds:	

1	Total private revenues.....	1,013,200
2	Total other state restricted revenues.....	3,383,000
3	State general fund/general purpose.....	\$ 134,454,400
4	Sec. 120. AGING AND ADULT SERVICES AGENCY	
5	Full-time equated classified positions.....	48.0
6	Aging and adult services administration--48.0 FTE	
7	positions	\$ 9,344,100
8	Community services.....	41,663,900
9	Nutrition services.....	39,044,000
10	Employment assistance.....	3,500,000
11	Respite care program.....	5,868,700
12	Senior volunteer service programs.....	<u>4,465,300</u>
13	GROSS APPROPRIATION.....	\$ 103,886,000
14	Appropriated from:	
15	Federal revenues:	
16	Capped federal revenues.....	368,100
17	Total other federal revenues.....	57,898,600
18	Special revenue funds:	
19	Total private revenues.....	520,000
20	Michigan merit award trust fund.....	4,068,700
21	Total other state restricted revenues.....	1,400,000
22	State general fund/general purpose.....	\$ 39,630,600
23	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
24	Full-time equated classified positions.....	465.5
25	Medical services administration--395.5 FTE positions .	\$ 83,565,600
26	Healthy Michigan plan administration--31.0 FTE	
27	positions	59,302,500

1	Electronic health record incentive program--24.0 FTE	
2	positions	144,297,800
3	Technology supporting integrated service	
4	delivery--15.0 FTE positions	<u>6,308,000</u>
5	GROSS APPROPRIATION.....	\$ 293,473,900
6	Appropriated from:	
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families	749,600
10	Capped federal revenues.....	910,700
11	Total other federal revenues.....	244,619,100
12	Special revenue funds:	
13	Total local revenues.....	107,300
14	Total private revenues.....	101,300
15	Total other state restricted revenues.....	336,300
16	State general fund/general purpose.....	\$ 46,649,600
17	Sec. 122. MEDICAL SERVICES	
18	Hospital services and therapy.....	\$ 1,110,000,000
19	Hospital disproportionate share payments.....	45,000,000
20	Physician services.....	321,041,000
21	Medicare premium payments.....	472,654,500
22	Pharmaceutical services.....	537,467,000
23	Home health services.....	6,235,000
24	Hospice services.....	105,531,400
25	Transportation.....	21,418,300
26	Auxiliary medical services.....	6,235,700
27	Dental services.....	247,307,000

1	Ambulance services.....	18,376,100
2	Long-term care services.....	1,658,317,700
3	Integrated care organizations.....	230,633,300
4	Medicaid home- and community-based services waiver...	322,781,100
5	Adult home help services.....	310,389,700
6	Personal care services.....	11,043,700
7	Program of all-inclusive care for the elderly.....	87,874,800
8	Health plan services.....	4,923,494,400
9	Federal Medicare pharmaceutical program.....	249,182,100
10	Maternal and child health.....	20,279,500
11	Healthy Michigan plan.....	3,271,498,000
12	Subtotal basic medical services program.....	13,976,760,300
13	School-based services.....	109,937,200
14	Dental clinic program.....	2,000,000
15	Special Medicaid reimbursement.....	368,887,600
16	Subtotal special medical services payments.....	<u>480,824,800</u>
17	GROSS APPROPRIATION.....	\$ 14,457,585,100
18	Appropriated from:	
19	Federal revenues:	
20	Total other federal revenues.....	10,487,392,600
21	Special revenue funds:	
22	Total local revenues.....	36,111,800
23	Total private revenues.....	2,100,000
24	Michigan merit award trust fund.....	19,739,200
25	Total other state restricted revenues.....	2,074,273,400
26	State general fund/general purpose.....	\$ 1,837,968,100
27	Sec. 123. ONE-TIME BASIS ONLY APPROPRIATIONS	

1	Full-time equated classified positions.....	1.0	
2	Family preservation programs--1.0 FTE position.....		\$ 6,098,200
3	Integrated service delivery.....		36,922,500
4	Drinking water declaration of emergency.....		15,138,100
5	MiSACWIS implementation.....		11,538,600
6	Autism navigator.....		565,000
7	Demonstration projects - Michigan 2-1-1.....		300,000
8	Mobile electronic service verification study.....		<u>25,000</u>
9	GROSS APPROPRIATION.....		\$ 70,587,400
10	Appropriated from:		
11	Federal revenues:		
12	Social security act, temporary assistance for needy		
13	families		9,618,200
14	Total other federal revenues.....		41,049,600
15	Special revenue funds:		
16	Total other state restricted revenues.....		473,900
17	State general fund/general purpose.....		\$ 19,445,700

18 PART 2

19 PROVISIONS CONCERNING APPROPRIATIONS

20 FOR FISCAL YEAR 2016-2017

21 **GENERAL SECTIONS**

22 Sec. 201. Pursuant to section 30 of article IX of the state

23 constitution of 1963, total state spending from state resources

24 under part 1 for fiscal year 2016-2017 is \$6,668,715,800.00 and

25 state spending from state resources to be paid to local units of

1 government for fiscal year 2016-2017 is \$1,316,100,200.00. The
 2 itemized statement below identifies appropriations from which
 3 spending to local units of government will occur:

4 DEPARTMENT OF HEALTH AND HUMAN SERVICES

5 COMMUNITY SERVICES AND OUTREACH

6 Housing and support services..... \$ 638,300

7 Crime victim rights services grants..... 6,825,000

8 CHILDREN'S SERVICES AGENCY - CHILD WELFARE

9 Child care fund..... \$ 139,165,200

10 CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

11 County juvenile officers..... \$ 3,525,200

12 PUBLIC ASSISTANCE

13 Family independence program..... \$ 8,500

14 State disability assistance payments..... 948,400

15 Multicultural integration funding..... 5,478,200

16 BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

17 Community residential and support services..... \$ 292,100

18 BEHAVIORAL HEALTH SERVICES

19 Medicaid mental health services..... \$ 780,138,400

20 Community mental health non-Medicaid services..... 120,050,400

21 Medicaid substance use disorder services..... 18,455,200

22 State disability assistance program substance use

23 disorder services 2,018,800

24 Community substance use disorder prevention,

25 education, and treatment 13,547,400

26 Children's waiver home care program..... 6,824,000

27 Nursing home PAS/ARR-OBRA..... 2,727,800

1	Children with serious emotional disturbance waiver...	2,500,000
2	Healthy Michigan plan - behavioral health.....	8,911,400
3	Autism services.....	21,211,900
4	HEALTH POLICY	
5	Primary care services.....	\$ 87,700
6	LABORATORY SERVICES	
7	Laboratory services.....	\$ 5,200
8	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY	
9	Immunization program.....	\$ 1,042,700
10	LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
11	AIDS prevention, testing, and care programs.....	\$ 929,400
12	Cancer prevention and control program.....	102,700
13	Chronic disease control and health promotion	
14	administration	7,100
15	Essential local public health services.....	34,199,500
16	Health and wellness initiatives.....	1,918,300
17	Implementation of 1993 PA 133, MCL 333.17015	300
18	Sexually transmitted disease control program.....	194,300
19	FAMILY, MATERNAL, AND CHILD HEALTH	
20	Prenatal care outreach and service delivery support ..	\$ 3,469,800
21	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
22	Outreach and advocacy.....	\$ 2,755,000
23	Medical care and treatment.....	949,800
24	AGING AND ADULT SERVICES AGENCY	
25	Community services.....	\$ 19,033,500
26	Nutrition services.....	11,087,000
27	Respite care program.....	5,868,700

1	Senior volunteer service programs	963,600
2	MEDICAL SERVICES	
3	Hospital services and therapy	\$ 2,449,500
4	Physician services	12,504,900
5	Transportation	949,800
6	Dental services	1,402,400
7	Long-term care services	<u>82,912,800</u>
8	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,316,100,200

9 Sec. 202. The appropriations authorized under this part and
10 part 1 are subject to the management and budget act, 1984 PA 431,
11 MCL 18.1101 to 18.1594.

12 Sec. 203. As used in this part and part 1:

13 (a) "AIDS" means acquired immunodeficiency syndrome.

14 (b) "CMHSP" means a community mental health services program
15 as that term is defined in section 100a of the mental health code,
16 1974 PA 258, MCL 330.1100a.

17 (c) "Current fiscal year" means the fiscal year ending
18 September 30, 2017.

19 (d) "Department" means the department of health and human
20 services.

21 (e) "Director" means the director of the department.

22 (f) "DSH" means disproportionate share hospital.

23 (g) "EPSDT" means early and periodic screening, diagnosis, and
24 treatment.

25 (h) "Federal poverty level" means the poverty guidelines
26 published annually in the Federal Register by the United States
27 Department of Health and Human Services under its authority to

1 revise the poverty line under 42 USC 9902.

2 (i) "FTE" means full-time equated.

3 (j) "GME" means graduate medical education.

4 (k) "Health plan" means, at a minimum, an organization that
5 meets the criteria for delivering the comprehensive package of
6 services under the department's comprehensive health plan.

7 (l) "HEDIS" means healthcare effectiveness data and
8 information set.

9 (m) "HMO" means health maintenance organization.

10 (n) "IDEA" means the individuals with disabilities education
11 act, 20 USC 1400 to 1482.

12 (o) "IDG" means interdepartmental grant.

13 (p) "MCH" means maternal and child health.

14 (q) "Medicaid" mean subchapter XIX of the social security act,
15 42 USC 1396 to 1396w-5.

16 (r) "Medicare" means subchapter XVIII of the social security
17 act, 42 USC 1395 to 1395lll.

18 (s) "MiCAFE" means Michigan's coordinated access to food for
19 the elderly.

20 (t) "MiChild" means the program described in section 1670.

21 (u) "MiSACWIS" means Michigan statewide automated child
22 welfare information system.

23 (v) "PAS/ARR-OBRA" means the preadmission screening and annual
24 resident review required under the omnibus budget reconciliation
25 act of 1987, section 1919(e)(7) of the social security act, 42 USC
26 1396r.

27 (w) "PIHP" means an entity designated by the department as a

1 regional entity or a specialty prepaid inpatient health plan for
2 Medicaid mental health services, services to individuals with
3 developmental disabilities, and substance use disorder services.
4 Regional entities are described in section 204b of the mental
5 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
6 inpatient health plans are described in section 232b of the mental
7 health code, 1974 PA 258, MCL 330.1232b.

8 (x) "Previous fiscal year" means the fiscal year ending
9 September 30, 2016.

10 (y) "Settlement" means the settlement agreement entered in the
11 case of Dwayne B. v Snyder, docket no. 2:06-cv-13548 in the United
12 States District Court for the Eastern District of Michigan.

13 (z) "SSI" means supplemental security income.

14 (aa) "Temporary assistance for needy families" or "TANF" or
15 "title IV-A" means part A of subchapter IV of the social security
16 act, 42 USC 601 to 619.

17 (bb) "Title IV-B" means part B of title IV of the social
18 security act, 42 USC 620 to 629m.

19 (cc) "Title IV-D" means part D of title IV of the social
20 security act, 42 USC 651 to 669b.

21 (dd) "Title IV-E" means part E of title IV of the social
22 security act, 42 USC 670 to 679c.

23 (ee) "Title X" means subchapter VIII of the public health
24 service act, 42 USC 300 to 300a-8, which establishes grants to
25 states for family planning services.

26 Sec. 205. According to section 1b of the social welfare act,
27 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this

1 part as a time-limited addendum to the social welfare act, 1939 PA
2 280, MCL 400.1 to 400.119b.

3 Sec. 206. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$400,000,000.00 for
5 federal contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in part 1 under section 393(2) of the management and budget act,
8 1984 PA 431, MCL 18.1393. These funds shall not be made available
9 to increase TANF authorization.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$45,000,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$40,000,000.00 for local
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in part 1
20 under section 393(2) of the management and budget act, 1984 PA 431,
21 MCL 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$60,000,000.00 for private
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in part 1
26 under section 393(2) of the management and budget act, 1984 PA 431,
27 MCL 18.1393.

1 Sec. 207. The department shall maintain, on a publicly
2 accessible website, a department scorecard that identifies, tracks,
3 and regularly updates key metrics that are used to monitor and
4 improve the department's performance.

5 Sec. 208. Unless otherwise specified, the departments and
6 agencies receiving appropriations in part 1 shall use the Internet
7 to fulfill the reporting requirements of this part and part 1. This
8 requirement shall include transmission of reports via electronic
9 mail to the recipients identified for each reporting requirement,
10 and it shall include placement of reports on the Internet.

11 Sec. 209. Funds appropriated in part 1 shall not be used for
12 the purchase of foreign goods or services, or both, if
13 competitively priced and of comparable quality American goods or
14 services, or both, are available. Preference shall be given to
15 goods or services, or both, manufactured or provided by Michigan
16 businesses if they are competitively priced and of comparable
17 quality. In addition, preference shall be given to goods or
18 services, or both, that are manufactured or provided by Michigan
19 businesses owned and operated by veterans if they are competitively
20 priced and of comparable quality.

21 Sec. 210. The director shall take all reasonable steps to
22 ensure businesses in deprived and depressed communities compete for
23 and perform contracts to provide services or supplies, or both.
24 Each director shall strongly encourage firms with which the
25 department contracts to subcontract with certified businesses in
26 depressed and deprived communities for services, supplies, or both.

27 Sec. 211. If the revenue collected by the department from fees

1 and collections exceeds the amount appropriated in part 1, the
2 revenue may be carried forward with the approval of the state
3 budget director into the subsequent fiscal year. The revenue
4 carried forward under this section shall be used as the first
5 source of funds in the subsequent fiscal year.

6 Sec. 212. (1) On or before February 1 of the current fiscal
7 year, the department shall report to the house and senate
8 appropriations subcommittees on the department budget, the house
9 and senate fiscal agencies, and the state budget director on the
10 detailed name and amounts of estimated federal, restricted,
11 private, and local sources of revenue that support the
12 appropriations in each of the line items in part 1.

13 (2) Upon the release of the next fiscal year executive budget
14 recommendation, the department shall report to the same parties in
15 subsection (1) on the amounts and detailed sources of federal,
16 restricted, private, and local revenue proposed to support the
17 total funds appropriated in each of the line items in part 1 of the
18 next fiscal year executive budget proposal.

19 Sec. 213. The state departments, agencies, and commissions
20 receiving tobacco tax funds and Healthy Michigan fund revenue from
21 part 1 shall report by April 1 of the current fiscal year to the
22 senate and house appropriations committees, the senate and house
23 fiscal agencies, and the state budget director on the following:

24 (a) Detailed spending plan by appropriation line item
25 including description of programs and a summary of organizations
26 receiving these funds.

27 (b) Description of allocations or bid processes including need

1 or demand indicators used to determine allocations.

2 (c) Eligibility criteria for program participation and maximum
3 benefit levels where applicable.

4 (d) Outcome measures used to evaluate programs, including
5 measures of the effectiveness of these programs in improving the
6 health of Michigan residents.

7 (e) Any other information considered necessary by the house of
8 representatives or senate appropriations committees or the state
9 budget director.

10 Sec. 214. By March 1 and August 1 of the current fiscal year,
11 the department shall report on the number of FTEs in pay status by
12 type of staff.

13 Sec. 215. If a legislative objective of this part or of a bill
14 or amendment to a bill to amend the social welfare act, 1939 PA
15 280, MCL 400.1 to 400.119b, cannot be implemented because
16 implementation would conflict with or violate federal regulations,
17 the department shall notify the state budget director, the chairs
18 of the house and senate subcommittees on the department budget, and
19 the house and senate fiscal agencies and policy offices of that
20 fact.

21 Sec. 216. (1) In addition to funds appropriated in part 1 for
22 all programs and services, there is appropriated for write-offs of
23 accounts receivable, deferrals, and for prior year obligations in
24 excess of applicable prior year appropriations, an amount equal to
25 total write-offs and prior year obligations, but not to exceed
26 amounts available in prior year revenues.

27 (2) The department's ability to satisfy appropriation fund

1 sources in part 1 shall not be limited to collections and accruals
2 pertaining to services provided in the current fiscal year, but
3 shall also include reimbursements, refunds, adjustments, and
4 settlements from prior years.

5 Sec. 217. The departments and agencies receiving
6 appropriations in part 1 shall prepare a report on out-of-state
7 travel expenses not later than January 1 of each year. The travel
8 report shall be a listing of all travel by classified and
9 unclassified employees outside this state in the immediately
10 preceding fiscal year that was funded in whole or in part with
11 funds appropriated in the department's budget. The report shall be
12 submitted to the senate and house appropriations committees, the
13 house and senate fiscal agencies, and the state budget director.
14 The report shall include the following information:

15 (a) The dates of each travel occurrence.

16 (b) The transportation and related costs of each travel
17 occurrence, including the proportion funded with state general
18 fund/general purpose revenues, the proportion funded with state
19 restricted revenues, the proportion funded with federal revenues,
20 and the proportion funded with other revenues.

21 Sec. 218. The department shall include, but not be limited to,
22 the following in its annual list of proposed basic health services
23 as required in part 23 of the public health code, 1978 PA 368, MCL
24 333.2301 to 333.2321:

25 (a) Immunizations.

26 (b) Communicable disease control.

27 (c) Sexually transmitted disease control.

1 (d) Tuberculosis control.

2 (e) Prevention of gonorrhea eye infection in newborns.

3 (f) Screening newborns for the conditions listed in section
4 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
5 recommended by the newborn screening quality assurance advisory
6 committee created under section 5430 of the public health code,
7 1978 PA 368, MCL 333.5430.

8 (g) Health and human services annex of the Michigan emergency
9 management plan.

10 (h) Prenatal care.

11 Sec. 219. (1) The department may contract with the Michigan
12 Public Health Institute for the design and implementation of
13 projects and for other public health-related activities prescribed
14 in section 2611 of the public health code, 1978 PA 368, MCL
15 333.2611. The department may develop a master agreement with the
16 Institute to carry out these purposes for up to a 3-year period.
17 The department shall report to the house and senate appropriations
18 subcommittees on the department budget, the house and senate fiscal
19 agencies, and the state budget director on or before January 1 of
20 the current fiscal year all of the following:

21 (a) A detailed description of each funded project.

22 (b) The amount allocated for each project, the appropriation
23 line item from which the allocation is funded, and the source of
24 financing for each project.

25 (c) The expected project duration.

26 (d) A detailed spending plan for each project, including a
27 list of all subgrantees and the amount allocated to each

1 subgrantee.

2 (2) On or before September 30 of the current fiscal year, the
3 department shall provide to the same parties listed in subsection
4 (1) a copy of all reports, studies, and publications produced by
5 the Michigan Public Health Institute, its subcontractors, or the
6 department with the funds appropriated in part 1 and allocated to
7 the Michigan Public Health Institute.

8 Sec. 220. The department shall ensure that faith-based
9 organizations are able to apply and compete for services, programs,
10 or contracts that they are qualified and suitable to fulfill. The
11 department shall not disqualify faith-based organizations solely on
12 the basis of the religious nature of their organization or their
13 guiding principles or statements of faith.

14 Sec. 222. (1) The department shall make the entire policy and
15 procedures manual available and accessible to the public via the
16 department website.

17 (2) The department shall report no later than April 1 of the
18 current fiscal year on each specific policy change made to
19 implement a public act affecting the department that took effect
20 during the prior calendar year to the house and senate
21 appropriations subcommittees on the budget for the department, the
22 joint committee on administrative rules, the senate and house
23 fiscal agencies, and policy offices. The department shall attach
24 each policy bulletin issued during the prior calendar year to this
25 report.

26 Sec. 223. The department may establish and collect fees for
27 publications, videos and related materials, conferences, and

1 workshops. Collected fees shall be used to offset expenditures to
2 pay for printing and mailing costs of the publications, videos and
3 related materials, and costs of the workshops and conferences. The
4 department shall not collect fees under this section that exceed
5 the cost of the expenditures.

6 Sec. 224. The department may retain all of the state's share
7 of food assistance overissuance collections as an offset to general
8 fund/general purpose costs. Retained collections shall be applied
9 against federal funds deductions in all appropriation units where
10 department costs related to the investigation and recoupment of
11 food assistance overissuances are incurred. Retained collections in
12 excess of such costs shall be applied against the federal funds
13 deducted in the departmentwide administration appropriation unit.

14 Sec. 225. (1) Sanctions, suspensions, conditions for
15 provisional license status, and other penalties shall not be more
16 stringent for private service providers than for public entities
17 performing equivalent or similar services.

18 (2) Neither the department nor private service providers or
19 licensees shall be granted preferential treatment or considered
20 automatically to be in compliance with administrative rules based
21 on whether they have collective bargaining agreements with direct
22 care workers. Private service providers or licensees without
23 collective bargaining agreements shall not be subjected to
24 additional requirements or conditions of licensure based on their
25 lack of collective bargaining agreements.

26 Sec. 228. From the funds appropriated in part 1 for Healthy
27 Michigan plan, \$1,000,000.00 shall be distributed to the Medicaid

1 health plans to inform residents about Healthy Michigan plan
2 incentives that have been shown to improve health outcomes. The
3 incentives shall be limited to those health outcomes measured
4 within the Healthy Michigan plan evaluation. The department shall
5 not use funds appropriated in part 1 to advertise enrollment in the
6 Healthy Michigan plan.

7 Sec. 229. (1) The department shall extend the interagency
8 agreement with the talent investment agency for the duration of the
9 current fiscal year, which concerns TANF funding to provide job
10 readiness and welfare-to-work programming. The interagency
11 agreement shall include specific outcome and performance reporting
12 requirements as described in this section. TANF funding provided to
13 the talent investment agency in the current fiscal year is
14 contingent on compliance with the data and reporting requirements
15 described in this section. The interagency agreement must require
16 the talent investment agency to provide all of the following items
17 by January 1 of the current fiscal year for the previous fiscal
18 year to the senate and house appropriations committees on the
19 department budget:

20 (a) An itemized spending report on TANF funding, including all
21 of the following:

22 (i) Direct services to recipients.

23 (ii) Administrative expenditures.

24 (b) The number of family independence program (FIP) recipients
25 served through the TANF funding, including all of the following:

26 (i) The number and percentage who obtained employment through
27 Michigan Works!

1 (ii) The number and percentage who fulfilled their TANF work
2 requirement through other job readiness programming.

3 (iii) Average TANF spending per recipient.

4 (iv) The number and percentage of recipients who were referred
5 to Michigan Works! but did not receive a job or job readiness
6 placement and the reasons why.

7 (2) Not later than March 1 of the current fiscal year, the
8 department shall provide to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, and the senate and house policy offices an annual report
11 on the following matters itemized by Michigan Works! agency: the
12 number of referrals to Michigan Works! job readiness programs, the
13 number of referrals to Michigan Works! job readiness programs who
14 became a participant in the Michigan Works! job readiness programs,
15 the number of participants who obtained employment, and the cost
16 per participant case.

17 Sec. 230. (1) By December 1 of the current fiscal year, the
18 department shall report to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, the senate and house policy offices, and the state budget
21 office all of the following information:

22 (a) The process used to define requests for proposals for each
23 expansion of information technology projects, including timelines,
24 project milestones, and intended outcomes.

25 (b) If the department decides not to contract the services out
26 to design and implement each element of the information technology
27 expansion, the department shall submit its own project plan, which

1 includes, at a minimum, the requirements in subdivision (a).

2 (c) A recommended project management plan with milestones and
3 time frames.

4 (d) The proposed benefits from implementing the information
5 technology expansion, including customer service improvement, form
6 reductions, potential time savings, caseload reduction, and return
7 on investment.

8 (2) Once an award for an expansion of information technology
9 is made, the department shall report to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office a projected cost of the expansion broken
13 down by use and type of expense.

14 Sec. 231. From the funds appropriated in part 1 for travel
15 reimbursements to employees, the department shall allocate up to
16 \$100,000.00 toward reimbursing counties for the out-of-pocket
17 travel costs of the local county department board members and
18 county department directors to attend 1 meeting per year of the
19 Michigan County Social Services Association.

20 Sec. 233. By March 31 and September 30 of the current fiscal
21 year, the department shall report to the senate and house
22 appropriations subcommittees on the department budget, the senate
23 and house fiscal agencies, the senate and house policy offices, and
24 state budget office on the status of the merger, executed according
25 to Executive Order No. 2015-4, of the department of community
26 health and the department of human services to create the
27 department of health and human services. The report must indicate

1 changes from the prior report and shall include, but not be limited
2 to, all of the following information:

3 (a) The impact on client service delivery or access to
4 services, including the restructuring or consolidation of services.

5 (b) Any cost increases or reductions that resulted from rent
6 or building occupancy changes.

7 (c) Facilities in use, including any office closures or
8 consolidations, or new office locations, including hoteling
9 stations.

10 (d) Current status of FTE positions, including the number of
11 FTE positions that were eliminated or added due to duplication of
12 efforts.

13 (e) Any other efficiencies, costs, or savings associated with
14 the merger.

15 Sec. 240. The department shall notify the house and senate
16 appropriations subcommittees on the department budget, the house
17 and senate fiscal agencies, and the house and senate policy offices
18 of any changes to a child welfare master contract template,
19 including the adoption master contract template, the independent
20 living plus master contract template, the placing agency foster
21 care master contract template, and the residential foster care
22 juvenile justice master contract template, not less than 30 days
23 before the change takes effect.

24 Sec. 252. The appropriations in part 1 for Healthy Michigan
25 plan - behavioral health, Healthy Michigan plan administration, and
26 Healthy Michigan plan are contingent on the provisions of the
27 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were

1 contained in 2013 PA 107 not being amended, repealed, or otherwise
2 altered to eliminate the Healthy Michigan plan. If that occurs,
3 then, upon the effective date of the amendatory act that amends,
4 repeals, or otherwise alters those provisions, the remaining funds
5 in the Healthy Michigan plan - behavioral health, Healthy Michigan
6 plan administration, and Healthy Michigan plan line items shall
7 only be used to pay previously incurred costs and any remaining
8 appropriations shall not be allotted to support those line items.

9 Sec. 263. (1) Except as otherwise provided in this subsection,
10 before submission of a waiver, a state plan amendment, or a similar
11 proposal to the Centers for Medicare and Medicaid Services or other
12 federal agency, the department shall provide written notification
13 of the planned submission to the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal
15 agencies and policy offices, and the state budget office. This
16 subsection does not apply to the submission of a waiver, a state
17 plan amendment, or similar proposal that does not propose a
18 material change or is outside of the ordinary course of waiver,
19 state plan amendment, or similar proposed submissions.

20 (2) The department shall provide written biannual reports to
21 the senate and house appropriations subcommittees on the department
22 budget, the senate and house fiscal agencies, and the state budget
23 office summarizing the status of any new or ongoing discussions
24 with the Centers for Medicare and Medicaid Services or the United
25 States Department of Health and Human Services or other federal
26 agency regarding potential or future waiver applications as well as
27 the status of submitted waivers that have not yet received federal

1 approval. If, at the time a biannual report is due, there are no
2 reportable items, then no report is required to be provided.

3 Sec. 264. The department shall not take disciplinary action
4 against an employee for communicating with a member of the
5 legislature or his or her staff.

6 Sec. 265. Within 14 days after the release of the executive
7 budget recommendation, the department shall cooperate with the
8 state budget office to provide the senate and house appropriations
9 chairs, the senate and house appropriations subcommittees chairs on
10 the department budget, and the senate and house fiscal agencies
11 with an annual report on estimated state restricted fund balances,
12 state restricted fund projected revenues, and state restricted fund
13 expenditures for the previous fiscal year and the current fiscal
14 year.

15 Sec. 270. The department shall advise the legislature of the
16 receipt of a notification from the attorney general's office of a
17 legal action in which expenses had been recovered pursuant to
18 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106,
19 or any other statute under which the department has the right to
20 recover expenses. By November 1 and May 1 of the current fiscal
21 year, the department shall submit a written report to the house and
22 senate appropriations subcommittees on the department budget, the
23 house and senate fiscal agencies, and the state budget office that
24 includes, at a minimum, all of the following:

25 (a) The total amount recovered from the legal action.

26 (b) The program or service for which the money was originally
27 expended.

1 (c) Details on the disposition of the funds recovered such as
2 the appropriation or revenue account in which the money was
3 deposited.

4 (d) A description of the facts involved in the legal action.

5 Sec. 274. (1) The department, in collaboration with the state
6 budget office, shall submit to the house and senate appropriations
7 subcommittees on the department budget, the house and senate fiscal
8 agencies, and the house and senate policy offices 1 week after the
9 day the governor submits to the legislature the budget for the
10 ensuing fiscal year a report on spending and revenue projections
11 for each of the capped federal funds listed below. The report shall
12 contain actual spending and revenue in the previous fiscal year,
13 spending and revenue projections for the current fiscal year as
14 enacted, and spending and revenue projections within the executive
15 budget proposal for the fiscal year beginning October 1, 2017 for
16 each individual line item for the department budget. The report
17 shall also include federal funds transferred to other departments.
18 The capped federal funds shall include, but not be limited to, all
19 of the following:

20 (a) TANF.

21 (b) Title XX social services block grant.

22 (c) Title IV-B part I child welfare services block grant.

23 (d) Title IV-B part II promoting safe and stable families
24 funds.

25 (e) Low-income home energy assistance program.

26 (2) The department, in collaboration with the state budget
27 office, shall not utilize capped federal funding for economics

1 adjustments for FTEs or other economics costs that are included as
2 part of the budget submitted to the legislature by the governor for
3 the ensuing fiscal year.

4 (3) By February 15 of the current fiscal year, the department
5 shall prepare an annual report of its efforts to identify
6 additional TANF maintenance of effort sources and rationale for any
7 increases or decreases from all of the following, but not limited
8 to:

9 (a) Other departments.

10 (b) Local units of government.

11 (c) Private sources.

12 Sec. 275. (1) As part of the year-end closing process, the
13 department, with the approval of the state budget director, is
14 authorized to realign sources between other federal, TANF, and
15 capped federal financing authorizations in order to maximize
16 federal revenues. This realignment of financing shall not produce a
17 gross increase or decrease in the department's total individual
18 line item authorizations, nor will it produce a net increase or
19 decrease in total federal revenues, or a net increase in TANF
20 authorization.

21 (2) Not later than November 30, the department shall submit to
22 the house and senate appropriations subcommittees on the department
23 budget, the house and senate fiscal agencies, and the house and
24 senate policy offices a report on the realignment of federal fund
25 sources that took place as part of the year-end closing process for
26 the previous fiscal year.

27 Sec. 276. Funds appropriated in part 1 shall not be used by a

1 principal executive department, state agency, or authority to hire
2 a person to provide legal services that are the responsibility of
3 the attorney general. This prohibition does not apply to legal
4 services for bonding activities and for those outside services that
5 the attorney general authorizes.

6 Sec. 279. (1) All master contracts relating to human services
7 as funded by the appropriations in sections 103, 104, 105, 106,
8 107, 108, and 109 of part 1 shall be performance-based contracts
9 that employ a client-centered results-oriented process that is
10 based on measurable performance indicators and desired outcomes and
11 includes the annual assessment of the quality of services provided.

12 (2) By February 1 of the current fiscal year, the department
13 shall provide the senate and house appropriations subcommittees on
14 the department budget, the senate and house fiscal agencies and
15 policy offices, and the state budget office a report detailing
16 measurable performance indicators, desired outcomes, and an
17 assessment of the quality of services provided by the department
18 during the previous fiscal year.

19 Sec. 280. On a quarterly basis, the department shall provide a
20 report to the house and senate appropriations committees, the house
21 and senate fiscal agencies, the house and senate policy offices,
22 and the state budget director that provides all of the following
23 for each line item in part 1 containing personnel-related costs,
24 including the specific individual amounts for salaries and wages,
25 payroll taxes, and fringe benefits:

26 (a) FTE authorization.

27 (b) Spending authorization for personnel-related costs, by

1 fund source, under the spending plan.

2 (c) Actual year-to-date expenditures for personnel-related
3 costs, by fund source, through the end of the prior month.

4 (d) The projected year-end balance or shortfall for personnel-
5 related costs, by fund source, based on actual monthly spending
6 levels through the end of the prior month.

7 (e) A specific plan for addressing any projected shortfall for
8 personnel-related costs at either the gross or fund source level.

9 Sec. 287. Not later than November 30, the state budget office
10 shall prepare and transmit a report that provides for estimates of
11 the total general fund/general purpose appropriation lapses at the
12 close of the prior fiscal year. This report shall summarize the
13 projected year-end general fund/general purpose appropriation
14 lapses by major departmental program or program areas. The report
15 shall be transmitted to the chairpersons of the senate and house
16 appropriations committees, and the senate and house fiscal
17 agencies.

18 Sec. 288. (1) Beginning October 1 of the current fiscal year,
19 no less than 90% of a new department contract supported solely from
20 state restricted funds or general fund/general purpose funds and
21 designated in this part or part 1 for a specific entity for the
22 purpose of providing services to individuals shall be expended for
23 such services after the first year of the contract.

24 (2) The department may allow a contract to exceed the
25 limitation on administrative and services costs if it can be
26 demonstrated that an exception should be made to the provision in
27 subsection (1).

1 (3) By September 30 of the current fiscal year, the department
2 shall report to the house and senate appropriations subcommittees
3 on the department budget, house and senate fiscal agencies, and
4 state budget office on the rationale for all exceptions made to the
5 provision in subsection (1) and the number of contracts terminated
6 due to violations of subsection (1).

7 Sec. 289. By March 1 of the current fiscal year, the
8 department shall provide to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, and the senate and house policy offices an annual report
11 on the supervisor-to-staff ratio by department divisions and
12 subdivisions.

13 Sec. 290. Any public advertisement for state assistance shall
14 also inform the public of the welfare fraud hotline operated by the
15 department.

16 Sec. 291. The department shall verify, using the e-verify
17 system, that all new department employees, and new hire employees
18 of contractors and subcontractors paid from funds appropriated in
19 part 1, are legally present in the United States. The department
20 may verify this information directly or may require contractors and
21 subcontractors to verify the information and submit a certification
22 to the department.

23 Sec. 292. The department shall cooperate with the department
24 of technology, management, and budget to maintain a searchable
25 website accessible by the public at no cost that includes, but is
26 not limited to, all of the following for each department or agency:

27 (a) Fiscal year-to-date expenditures by category.

1 (b) Fiscal year-to-date expenditures by appropriation unit.

2 (c) Fiscal year-to-date payments to a selected vendor,
3 including the vendor name, payment date, payment amount, and
4 payment description.

5 (d) The number of active department employees by job
6 classification.

7 (e) Job specifications and wage rates.

8 Sec. 293. (1) The department shall explore a project to
9 implement a cloud-based, interactive analytics platform for
10 Medicaid claims to identify areas of best practice, cost-reduction
11 and quality improvement opportunities, and comparative cost
12 analysis among providers, hospitals, and managed care
13 organizations. The analytics platform would include the ability to
14 adjust for variations in patient risk and acuity differences when
15 comparing performance across regions and hospitals. The analytics
16 platform would provide data analysis on, but not be limited to,
17 readmission rates, mortality, complication rates, and total episode
18 costs across high-volume acute episodes of care, including pre- and
19 post-discharge costs.

20 (2) The project would include a methodology to identify and
21 measure savings generated by the project. The legislative intent is
22 that an amount appropriated for the project would not exceed the
23 anticipated savings generated by the project.

24 Sec. 294. From the funds appropriated in part 1 for the
25 Michigan Medicaid information system (MMIS) line item,
26 \$20,000,000.00 in private revenue may be received from and
27 allocated for other states interested in participating as part of

1 the broader MMIS initiative. By March 1 of the current fiscal year,
2 the department shall provide a report on the use of MMIS by other
3 states for the previous fiscal year, including a list of states,
4 type of use, and revenue and expenditures related to the agreements
5 with the other states to use the MMIS. The report shall be provided
6 to the house and senate appropriations subcommittees on the
7 department budget, the house and senate fiscal agencies, and the
8 state budget office.

9 Sec. 295. (1) From the funds appropriated in part 1 to
10 agencies providing physical and behavioral health services to
11 multicultural populations, the department shall award grants in
12 accordance with the requirements of subsection (2). The state is
13 not liable for any spending above the contract amount.

14 (2) The department shall require each contractor described in
15 subsection (1) that receives greater than \$1,000,000.00 in state
16 grant funding to comply with performance-related metrics to
17 maintain their eligibility for funding. The organizational metrics
18 shall include, but not be limited to, all of the following:

19 (a) Each contractor or subcontractor shall have accreditations
20 that attest to their competency and effectiveness as behavioral
21 health and social service agencies.

22 (b) Each contractor or subcontractor shall have a mission that
23 is consistent with the purpose of the multicultural agency.

24 (c) Each contractor shall validate that any subcontractors
25 utilized within these appropriations share the same mission as the
26 lead agency receiving funding.

27 (d) Each contractor or subcontractor shall demonstrate cost-

1 effectiveness.

2 (e) Each contractor or subcontractor shall ensure their
3 ability to leverage private dollars to strengthen and maximize
4 service provision.

5 (f) Each contractor or subcontractor shall provide timely and
6 accurate reports regarding the number of clients served, units of
7 service provision, and ability to meet their stated goals.

8 (3) The department shall require an annual report from the
9 contractors described in subsection (2). The annual report, due 60
10 days following the end of the contract period, shall include
11 specific information on services and programs provided, the client
12 base to which the services and programs were provided, information
13 on any wraparound services provided, and the expenditures for those
14 services. The department shall provide the annual reports to the
15 senate and house appropriations subcommittees on health and human
16 services, the senate and house fiscal agencies, and the state
17 budget office.

18 Sec. 297. Total authorized appropriations from all sources
19 under part 1 for legacy costs for the current fiscal year are
20 \$364,972,800.00. From this amount, total agency appropriations for
21 pension-related legacy costs are estimated at \$202,368,400.00.
22 Total agency appropriations for retiree health care legacy costs
23 are estimated at \$162,604,400.00.

24 Sec. 298. (1) The department shall work with a workgroup to
25 make recommendations regarding the most effective financing model
26 and policies for behavioral health services in order to improve the
27 coordination of behavioral and physical health services for

1 individuals with mental illnesses, intellectual and developmental
2 disabilities, and substance use disorders. The workgroup shall
3 include, but not be limited to, the Michigan Association of
4 Community Mental Health Boards, Medicaid health plans, and
5 advocates for consumers of behavioral health services.

6 (2) The workgroup shall consider the following goals in making
7 its recommendations:

8 (a) Core principles of person-centered planning, self-
9 determination, full community inclusion, access to CMHSP services,
10 and recovery orientation.

11 (b) Avoiding the return to a medical and institutional model
12 of supports and services for individuals with behavioral health and
13 developmental disability needs.

14 (c) Coordination of physical health and behavioral health care
15 and services at the point at which the consumer receives that care
16 and those services.

17 (d) Ensure full access to community-based services and
18 supports.

19 (e) Ensure full access to integrated behavioral and physical
20 health services within community-based settings.

21 (f) Reinvesting efficiencies gained back into services.

22 (g) Ensure transparent public oversight, governance, and
23 accountability.

24 (3) The workgroup's recommendations shall include a detailed
25 plan for the transition to any new financing model or policies
26 recommended by the workgroup, including a plan to ensure continuity
27 of care for consumers of behavioral health services in order to

1 prevent current customers of behavioral health services from
2 experiencing a disruption of services and supports, identification
3 of ways to enhance services and supports, and identification of any
4 gaps in services and supports. The workgroup shall consider the use
5 of 1 or more pilot programs in areas with an appropriate number of
6 consumers of behavioral health services and a range of behavioral
7 health needs as part of that transition plan.

8 (4) The workgroup's recommendations shall also recommend
9 annual benchmarks to measure progress in implementation of any new
10 financing model or policy recommendations over a 3-year period and
11 ensure that actuarially sound per member per month payments for
12 Medicaid behavioral health services are no less than the per member
13 per month payments used for Medicaid behavioral health services in
14 the fiscal year ending September 30, 2017.

15 (5) The department shall provide, after each workgroup
16 meeting, a status update on the workgroup's progress and, by
17 January 15 of the current fiscal year, a final report on the
18 workgroup's recommendations to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, the senate and house policy offices, and the state budget
21 office.

22 (6) Except for pilot programs described in subsection (3), no
23 funding that has been paid to the prepaid inpatient health plans in
24 prior fiscal years from the Medicaid mental health services,
25 Medicaid substance use disorder services, Healthy Michigan plan-
26 behavioral health, or autism services appropriation line items
27 shall be transferred or paid to any other entity without specific

1 legislative authorization through enactment of a budget act
2 containing appropriation line-item changes or authorizing
3 boilerplate language.

4 Sec. 299. (1) No state department or agency shall issue a
5 request for proposal (RFP) for a contract in excess of
6 \$5,000,000.00, unless the department or agency has first considered
7 issuing a request for information (RFI) or a request for
8 qualification (RFQ) relative to that contract to better enable the
9 department or agency to learn more about the market for the
10 products or services that are the subject of the RFP. The
11 department or agency shall notify the department of technology,
12 management, and budget of the evaluation process used to determine
13 if an RFI or RFQ was not necessary prior to issuing the RFP.

14 (2) From funds appropriated in part 1, for all RFPs issued
15 during the current fiscal year where an existing service received
16 proposals by multiple vendors, the department shall notify all
17 vendors within 30 days of the RFP decision. The notification to
18 vendors shall include details on the RFP process, including the
19 respective RFP scores and the respective cost for each vendor. If
20 the highest scored RFP or lowest cost RFP does not receive the
21 contract for an existing service offered by the department, the
22 notification shall issue an explanation for the reasons that the
23 highest scored RFP or lowest cost RFP did not receive the contract
24 and detail the incremental cost target amount or service level
25 required that was required to migrate the service to a new vendor.
26 Additionally, the department shall include in the notification
27 details as to why a cost or service difference is justifiable if

1 the highest scored or lowest cost vendor does not receive the
2 contract.

3 (3) The department shall submit to the senate and house
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, the senate and house policy offices, and
6 the state budget office by September 30 of the current fiscal year
7 a report that summarizes all RFPs during the current fiscal year
8 where an existing service received proposals by multiple vendors.
9 The report shall list all finalized RFPs where there was a
10 divergence from awarding the contract to the lowest cost or highest
11 scoring vendor. The report shall also include the cost or service
12 threshold required by department policy that must be satisfied in
13 order for an existing contract to be received by new vendor.

14 DEPARTMENTWIDE ADMINISTRATION

15 Sec. 307. (1) From the funds appropriated in part 1 for
16 demonstration projects, \$950,000.00 shall be distributed as
17 provided in subsection (2). The amount distributed under this
18 subsection shall not exceed 50% of the total operating expenses of
19 the program described in subsection (2), with the remaining 50%
20 paid by local United Way organizations and other nonprofit
21 organizations and foundations.

22 (2) Funds distributed under subsection (1) shall be
23 distributed to Michigan 2-1-1, a nonprofit corporation organized
24 under the laws of this state that is exempt from federal income tax
25 under section 501(c)(3) of the internal revenue code of 1986, 26
26 USC 501(c)(3), and whose mission is to coordinate and support a

1 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to
2 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
3 in January 2005.

4 (3) Michigan 2-1-1 shall refer to the department any calls
5 received reporting fraud, waste, or abuse of state-administered
6 public assistance.

7 (4) Michigan 2-1-1 shall report annually to the department and
8 the house and senate standing committees with primary jurisdiction
9 over matters relating to human services and telecommunications on
10 2-1-1 system performance, the senate and house appropriations
11 subcommittees on the department budget, and the senate and house
12 fiscal agencies, including, but not limited to, call volume by
13 health and human service needs and unmet needs identified through
14 caller data and customer satisfaction metrics.

15 Sec. 310. It is the intent of the legislature that the
16 department shall work with youth-oriented nonprofit organizations
17 to provide mentoring programming for children of incarcerated
18 parents and other at-risk children.

19 Sec. 316. From the funds appropriated in part 1 for terminal
20 leave payouts and other employee costs, the department shall not
21 spend in excess of its annual gross appropriation unless it
22 identifies and requests a legislative transfer from another
23 budgetary line item supporting administrative costs, as provided by
24 section 393(2) of the management and budget act, 1984 PA 431, MCL
25 18.1393.

26 **CHILD SUPPORT ENFORCEMENT**

1 Sec. 401. (1) The appropriations in part 1 assume a total
2 federal child support incentive payment of \$26,500,000.00.

3 (2) From the federal money received for child support
4 incentive payments, \$12,000,000.00 shall be retained by the state
5 and expended for child support program expenses.

6 (3) From the federal money received for child support
7 incentive payments, \$14,500,000.00 shall be paid to the counties
8 based on each county's performance level for each of the federal
9 performance measures as established in 45 CFR 305.2.

10 (4) If the child support incentive payment to the state from
11 the federal government is greater than \$26,500,000.00, then 100% of
12 the excess shall be retained by the state and is appropriated until
13 the total retained by the state reaches \$15,397,400.00.

14 (5) If the child support incentive payment to the state from
15 the federal government is greater than the amount needed to satisfy
16 the provisions identified in subsections (1), (2), (3), and (4),
17 the additional funds shall be subject to appropriation by the
18 legislature.

19 (6) If the child support incentive payment to the state from
20 the federal government is less than \$26,500,000.00, then the state
21 and county share shall each be reduced by 50% of the shortfall.

22 Sec. 409. (1) If statewide retained child support collections
23 exceed \$38,300,000.00, 75% of the amount in excess of
24 \$38,300,000.00 is appropriated to legal support contracts. This
25 excess appropriation may be distributed to eligible counties to
26 supplement and not supplant county title IV-D funding.

27 (2) Each county whose retained child support collections in

1 the current fiscal year exceed its fiscal year 2004-2005 retained
2 child support collections, excluding tax offset and financial
3 institution data match collections in both the current year and
4 fiscal year 2004-2005, shall receive its proportional share of the
5 75% excess.

6 Sec. 410. (1) If title IV-D-related child support collections
7 are escheated, the state budget director is authorized to adjust
8 the sources of financing for the funds appropriated in part 1 for
9 legal support contracts to reduce federal authorization by 66% of
10 the escheated amount and increase general fund/general purpose
11 authorization by the same amount. This budget adjustment is
12 required to offset the loss of federal revenue due to the escheated
13 amount being counted as title IV-D program income in accordance
14 with federal regulations at 45 CFR 304.50.

15 (2) The department shall notify the chairs of the house and
16 senate appropriations subcommittees on the department budget and
17 the house and senate fiscal agencies within 15 days of the
18 authorization adjustment in subsection (1).

19 **COMMUNITY SERVICES AND OUTREACH**

20 Sec. 450. (1) From the funds appropriated in part 1 for school
21 success partnership program, the department shall allocate
22 \$450,000.00 by December 1 of the current fiscal year to support the
23 Northeast Michigan Community Service Agency programming, which will
24 take place in each county in the Governor's Prosperity Region 3.
25 The department shall require the following performance objectives
26 be measured and reported for the duration of the state funding for

1 the school success partnership program:

2 (a) Increasing school attendance and decreasing chronic
3 absenteeism.

4 (b) Increasing academic performance based on grades with
5 emphasis on math and reading.

6 (c) Identifying barriers to attendance and success and
7 connecting families with resources to reduce these barriers.

8 (d) Increasing parent involvement with the parent's child's
9 school and community.

10 (2) The Northeast Michigan Community Service Agency shall
11 provide reports to the department on January 31 and June 30 of the
12 current fiscal year on the number of children and families served
13 and the services that were provided to families to meet the
14 performance objectives identified in this section. The department
15 shall distribute the reports within 1 week after receipt to the
16 senate and house appropriations subcommittees on the department
17 budget, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office.

19 Sec. 452. From the funds appropriated in part 1 for justice
20 assistance grants, the department shall continue to support
21 forensic nurse examiner programs to facilitate training for
22 improved evidence collection for the prosecution of sexual assault.
23 The funds shall be used for program coordination and training.

24 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

25 Sec. 501. (1) A goal is established that not more than 25% of
26 all children in foster care at any given time during the current

1 fiscal year will have been in foster care for 24 months or more.

2 (2) By March 1 of the current fiscal year, the department
3 shall provide to the senate and house appropriations subcommittees
4 on the department budget, the senate and house fiscal agencies, the
5 senate and house policy offices, and the state budget office a
6 report describing the steps that will be taken to achieve the
7 specific goal established in this section and on the percentage of
8 children who currently are in foster care and who have been in
9 foster care a total of 24 or more months.

10 Sec. 502. From the funds appropriated in part 1 for foster
11 care, the department shall provide 50% reimbursement to Indian
12 tribal governments for foster care expenditures for children who
13 are under the jurisdiction of Indian tribal courts and who are not
14 otherwise eligible for federal foster care cost sharing.

15 Sec. 503. (1) In accordance with the final report of the
16 Michigan child welfare performance-based funding task force issued
17 in response to section 503 of article X of 2013 PA 59, the
18 department shall continue to develop actuarially sound case rates
19 for necessary out-of-home child welfare services that achieve
20 permanency by the department and private child placing agencies in
21 a prospective payment system under a performance-based funding
22 model.

23 (2) The department shall continue to develop a prospective
24 rate payment system for private agencies that includes funding for
25 adoption incentive payments. The full cost prospective rate payment
26 system will identify and cover contractual costs paid through the
27 case rate developed by an independent actuary.

1 (3) By March 1 of the current fiscal year, the department
2 shall provide to the senate and house appropriations committees on
3 the department budget, the senate and house fiscal agencies and
4 policy offices, and the state budget office a report on the full
5 cost analysis of the performance-based funding model. The report
6 shall include background information on the project and give
7 details about the contractual costs covered through the case rate.

8 (4) In accordance with the final report of the Michigan child
9 welfare performance-based funding task force issued in response to
10 section 503 of article X of 2013 PA 59, the department shall
11 implement a 5-year independent, third-party evaluation of the
12 performance-based funding model. The evaluator shall be selected
13 through a competitive process by a rating committee that includes,
14 but is not limited to, representatives from the department and
15 private child placing agencies.

16 (5) The department shall only implement the performance-based
17 funding model into additional counties where the department,
18 private child welfare agencies, the county, and the court operating
19 within that county have signed a memorandum of understanding that
20 incorporates the intentions of the concerned parties in order to
21 implement the performance-based funding model.

22 (6) The department, in conjunction with members from both the
23 house of representatives and senate, private child placing
24 agencies, the courts, and counties shall implement the
25 recommendations that are described in the workgroup report that was
26 provided in section 503 of article X of 2013 PA 59 to establish a
27 performance-based funding for public and private child welfare

1 services providers. The department shall provide a quarterly report
2 on the status of the performance-based contracting model to the
3 senate and house appropriations subcommittees on the department
4 budget, the senate and house standing committees on families and
5 human services, and the senate and house fiscal agencies and policy
6 offices.

7 (7) From the funds appropriated in part 1 for the performance-
8 based funding model pilot, the department shall continue to work
9 with the West Michigan Partnership for Children Consortium on the
10 implementation of the performance-based funding model pilot. The
11 consortium shall accept and comprehensively assess referred youth,
12 assign cases to members of its continuum or leverage services from
13 other entities, and make appropriate case management decisions
14 during the duration of a case. The consortium shall operate an
15 integrated continuum of care structure, with services provided by
16 both private and public agencies, based on individual case needs.
17 The consortium shall demonstrate significant organizational
18 capacity and competencies, including experience with managing risk-
19 based contracts, financial strength, experienced staff and
20 leadership, and appropriate governance structure.

21 Sec. 504. (1) The department may establish a master agreement
22 with the West Michigan Partnership for Children Consortium for a
23 performance-based child welfare contracting pilot program. The
24 consortium shall consist of a network of affiliated child welfare
25 service providers that will accept and comprehensively assess
26 referred youth, assign cases to members of its continuum or
27 leverage services from other entities, and make appropriate case

1 management decisions during the duration of a case.

2 (2) The consortium shall operate an integrated continuum of
3 care structure, with services provided by private or public
4 agencies, based on individual case needs. The consortium shall
5 demonstrate significant organizational capacity and competencies,
6 including financial strength, experienced staff and leadership, and
7 appropriate governance structure.

8 (3) By March 1 of the current fiscal year, the consortium
9 shall provide to the department and the house and senate
10 appropriations subcommittees on the department budget a report on
11 the consortium, including, but not limited to, actual expenditures,
12 number of children placed by agencies in the consortium, fund
13 balance of the consortium, and the status of the consortium
14 evaluation.

15 Sec. 505. By March 1 of the current fiscal year, the
16 department and Wayne County shall provide to the senate and house
17 appropriations subcommittees on the department budget, the senate
18 and house fiscal agencies and policy offices, and the state budget
19 office a report for youth served in the previous fiscal year and in
20 the first quarter of the current fiscal year outlining the number
21 of youth served within each juvenile justice system, the type of
22 setting for each youth, performance outcomes, and financial costs
23 or savings.

24 Sec. 507. The department's ability to satisfy appropriation
25 deducts in part 1 for foster care private collections shall not be
26 limited to collections and accruals pertaining to services provided
27 only in the current fiscal year but may include revenues collected

1 during the current fiscal year for services provided in prior
2 fiscal years.

3 Sec. 508. (1) In addition to the amount appropriated in part 1
4 for children's trust fund grants, money granted or money received
5 as gifts or donations to the children's trust fund created by 1982
6 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

7 (2) The department and the child abuse and neglect prevention
8 board shall collaborate to ensure that administrative delays are
9 avoided and the local grant recipients and direct service providers
10 receive money in an expeditious manner. The department and board
11 shall make available the children's trust fund contract funds to
12 grantees within 31 days of the start date of the funded project.

13 Sec. 511. The department shall provide semiannual reports to
14 the senate and house appropriations subcommittees on the department
15 budget, the senate and house standing committees on families and
16 human services, and the senate and house fiscal agencies and policy
17 offices on the number and percentage of children who received
18 timely health examinations after entry into foster care and the
19 number and percentage of children entering foster care who received
20 a required mental health examination after entry into foster care.

21 Sec. 513. (1) The department shall not expend funds
22 appropriated in part 1 to pay for the direct placement by the
23 department of a child in an out-of-state facility unless all of the
24 following conditions are met:

25 (a) There is no appropriate placement available in this state
26 as determined by the department interstate compact office.

27 (b) An out-of-state placement exists that is nearer to the

1 child's home than the closest appropriate in-state placement as
2 determined by the department interstate compact office.

3 (c) The out-of-state facility meets all of the licensing
4 standards of this state for a comparable facility.

5 (d) The out-of-state facility meets all of the applicable
6 licensing standards of the state in which it is located.

7 (e) The department has done an on-site visit to the out-of-
8 state facility, reviewed the facility records, reviewed licensing
9 records and reports on the facility, and believes that the facility
10 is an appropriate placement for the child.

11 (2) The department shall not expend money for a child placed
12 in an out-of-state facility without approval of the deputy director
13 for children's services.

14 (3) The department shall submit an annual report to the state
15 court administrative office, the house and senate appropriations
16 subcommittees on the department budget, the house and senate fiscal
17 agencies, the house and senate policy offices, and the state budget
18 office on the number of Michigan children residing in out-of-state
19 facilities at the time of the report, the total cost and average
20 per diem cost of these out-of-state placements to this state, and a
21 list of each such placement arranged by the Michigan county of
22 residence for each child.

23 (4) It is the intent of the legislature that the department
24 shall work in conjunction with the courts and the state court
25 administrative office to identify data needed to calculate
26 statewide recidivism rates for adjudicated youth placed in either
27 residential secure or nonsecure facilities, defined at 6 months

1 after a youth is released from placement.

2 (5) By March 1 of the current fiscal year, the department
3 shall notify the legislature on the status of efforts to accomplish
4 the intent of subsection (4).

5 Sec. 514. The department shall make a comprehensive report
6 concerning children's protective services (CPS) to the legislature,
7 including the senate and house policy offices and the state budget
8 director, by March 1 of the current fiscal year, that shall include
9 all of the following:

10 (a) Statistical information including, but not limited to, all
11 of the following:

12 (i) The total number of reports of child abuse or child
13 neglect investigated under the child protection law, 1975 PA 238,
14 MCL 722.621 to 722.638, and the number of cases classified under
15 category I or category II and the number of cases classified under
16 category III, category IV, or category V.

17 (ii) Characteristics of perpetrators of child abuse or child
18 neglect and the child victims, such as age, relationship, race, and
19 ethnicity and whether the perpetrator exposed the child victim to
20 drug activity, including the manufacture of illicit drugs, that
21 exposed the child victim to substance abuse, a drug house, or
22 methamphetamine.

23 (iii) The mandatory reporter category in which the individual
24 who made the report fits, or other categorization if the individual
25 is not within a group required to report under the child protection
26 law, 1975 PA 238, MCL 722.621 to 722.638.

27 (iv) The number of cases that resulted in the separation of

1 the child from the parent or guardian and the period of time of
2 that separation, up to and including termination of parental
3 rights.

4 (v) For the reported complaints of child abuse or child
5 neglect by teachers, school administrators, and school counselors,
6 the number of cases classified under category I or category II and
7 the number of cases classified under category III, category IV, or
8 category V.

9 (vi) For the reported complaints of child abuse or child
10 neglect by teachers, school administrators, and school counselors,
11 the number of cases that resulted in separation of the child from
12 the parent or guardian and the period of time of that separation,
13 up to and including termination of parental rights.

14 (b) New policies related to children's protective services
15 including, but not limited to, major policy changes and court
16 decisions affecting the children's protective services system
17 during the immediately preceding 12-month period.

18 (c) Statistical information regarding families that were
19 classified in category III, including, but not limited to, all of
20 the following:

21 (i) The total number of cases classified in category III.

22 (ii) The number of cases in category III referred to voluntary
23 community services and closed with no additional monitoring.

24 (iii) The number of cases in category III referred to
25 voluntary community services and monitored for up to 90 days.

26 (iv) The number of cases in category III for which the
27 department entered more than 1 determination that there was

1 evidence of child abuse or child neglect.

2 (v) The number of cases in category III that the department
3 reclassified from category III to category II.

4 (vi) The number of cases in category III that the department
5 reclassified from category III to category I.

6 (vii) The number of cases in category III that the department
7 reclassified from category III to category I that resulted in a
8 removal.

9 (d) The department policy, or changes to the department
10 policy, regarding children who have been exposed to the production
11 or manufacture of methamphetamines.

12 Sec. 515. By March 1 of the current fiscal year, the
13 department shall submit a report to the senate and house
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices, and
16 the state budget office that provides an update on the
17 privatization of child welfare services in Kent County as described
18 in section 515 of article X of 2013 PA 59 and includes all of the
19 following:

20 (a) Costs or savings that resulted from the program.

21 (b) Gaps in funding.

22 (c) Program successes.

23 (d) Challenges and barriers to a successful implementation.

24 Sec. 519. The department shall permit any private agency that
25 has an existing contract with this state to provide foster care
26 services to be also eligible to provide treatment foster care
27 services.

1 Sec. 522. (1) From the funds appropriated in part 1 for youth
2 in transition, the department shall allocate \$750,000.00 for
3 college scholarships through the fostering futures scholarship
4 program in the Michigan education trust to youths who were in
5 foster care because of child abuse or child neglect and are
6 attending a college located in this state. Of the funds
7 appropriated, 100% shall be used to fund scholarships for the
8 youths described in this section.

9 (2) Not later than March 1 of the current fiscal year, the
10 department shall provide a report to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, the senate and house policy offices, and
13 the state budget office that includes the number of youths who
14 received scholarships and the amount of each scholarship, and the
15 total amount of funds spent or encumbered in the current fiscal
16 year.

17 Sec. 523. (1) By February 15 of the current fiscal year, the
18 department shall report on the families first, family
19 reunification, and families together building solutions family
20 preservation programs to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, the senate and house policy offices, and the state budget
23 office. The report shall provide an estimate of total costs savings
24 as a result of avoiding placement of children in foster care for
25 families who received family preservation services and shall
26 include information for each program on any innovations that may
27 increase savings or reductions in administrative costs.

1 (2) From the funds appropriated in part 1 for youth in
2 transition and domestic violence prevention and treatment, the
3 department is authorized to make allocations of TANF funds only to
4 agencies that report necessary data to the department for the
5 purpose of meeting TANF eligibility reporting requirements.

6 Sec. 524. As a condition of receiving funds appropriated in
7 part 1 for strong families/safe children, counties must submit the
8 service spending plan to the department by October 1 of the current
9 fiscal year for approval. The department shall approve the service
10 spending plan within 30 calendar days after receipt of a properly
11 completed service spending plan.

12 Sec. 525. The department shall implement the same on-site
13 evaluation processes for privately operated child welfare and
14 juvenile justice residential facilities as is used to evaluate
15 state-operated facilities. Penalties for noncompliance shall be the
16 same for privately operated child welfare and juvenile justice
17 residential facilities and state-operated facilities.

18 Sec. 526. From the funds appropriated in part 1 for foster
19 care payments and related administrative costs, the department may
20 implement the federally approved title IV-E child welfare waiver
21 demonstration project. As required under the waiver, any savings
22 resulting from the demonstration project must be quantified and
23 reinvested into child welfare programming.

24 Sec. 532. (1) The department, in collaboration with
25 representatives of private child and family agencies, shall revise
26 and improve the annual licensing review process and the annual
27 contract compliance review process for child placing agencies and

1 child caring institutions. The improvement goals shall be safety
2 and care for children. Improvements to the review process shall be
3 directed toward alleviating administrative burdens so that agency
4 resources may be focused on children. The revision shall include
5 identification of duplicative staff activities and information
6 sought from child placing agencies and child caring institutions in
7 the annual review process. The department shall report to the
8 senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies and policy offices,
10 and the state budget director on or before January 15 of the
11 current fiscal year on the findings of the annual licensing review.

12 (2) The department shall conduct licensing reviews no more
13 than once every 4 years for child placing agencies and child caring
14 institutions that are nationally accredited and have no outstanding
15 violations.

16 Sec. 533. (1) The department shall make payments to child
17 placing facilities for in-home and out-of-home care services and
18 adoption services within 30 days of receiving all necessary
19 documentation from those agencies. It is the intent of the
20 legislature that the burden of ensuring that these payments are
21 made in a timely manner and no payments are in arrears is upon the
22 department.

23 (2) No later than March 1 of the current fiscal year, the
24 department shall submit a report to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and
27 the state budget office that details each private child placing

1 agency and the percentage of payments that were in excess of 30
2 days during the entire prior fiscal year and the first quarter of
3 the current fiscal year.

4 Sec. 534. (1) The department shall report to the senate and
5 house appropriations subcommittees on the department budget, the
6 senate and house fiscal agencies, the senate and house policy
7 offices, and the state budget office by November 1 of the current
8 fiscal year an implementation plan regarding the appropriation in
9 part 1 to implement the MiSACWIS. The plan shall include, but not
10 be limited to, efforts to bring the system in compliance with the
11 settlement and other federal guidelines set forth by the United
12 States Department of Health and Human Services Administration for
13 Children and Families.

14 (2) The department shall report to the senate and house
15 appropriations subcommittees on the department budget, the senate
16 and house fiscal agencies, the senate and house policy offices, and
17 the state budget office by November 1 of the current fiscal year a
18 status report on the planning, implementation, and operation,
19 regardless of the current operational status, regarding the
20 appropriation in part 1 to implement the MiSACWIS. The report shall
21 provide details on the planning, implementation, and operation of
22 the system, including, but not limited to, all of the following:

23 (a) Areas where implementation went as planned.

24 (b) The number of known issues.

25 (c) The average number of help tickets submitted per day.

26 (d) Any additional overtime or other staffing costs to address
27 known issues and volume of help tickets.

1 (e) Any contract revisions to address known issues and volume
2 of help tickets.

3 (f) Other strategies undertaken to improve implementation.

4 (g) Progress developing cross-system trusted data exchange
5 with MiSACWIS

6 (h) Progress in moving away from a statewide/tribal automated
7 child welfare information system (SACWIS/TACWIS) to a comprehensive
8 child welfare information system (CCWIS).

9 (i) Progress developing and implementing a program to monitor
10 data quality.

11 (j) Progress developing and implementing custom integrated
12 systems for private agencies and tribal governments.

13 Sec. 537. (1) The department, in collaboration with child
14 placing agencies, shall develop a strategy to implement section
15 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The
16 strategy shall include a requirement that a department caseworker
17 responsible for preparing a recommendation to a court concerning a
18 juvenile placement shall provide, as part of the recommendation,
19 information regarding the requirements of section 115o of the
20 social welfare act, 1939 PA 280, MCL 400.115o.

21 (2) By March 1 of the current fiscal year, the department
22 shall provide to the senate and house appropriations subcommittees
23 on the department budget, the senate and house fiscal agencies, the
24 senate and house policy offices, and the state budget office a
25 report on the strategy described in subsection (1).

26 Sec. 540. If a physician or psychiatrist who is providing
27 services to state or court wards placed in a residential facility

1 submits a formal request to the department to change the
2 psychotropic medication of a ward, the department shall, if the
3 ward is a state ward, make a determination on the proposed change
4 within 7 business days after the request or, if the ward is a
5 temporary court ward, seek parental consent within 7 business days
6 after the request. If parental consent is not provided within 7
7 business days, the department shall petition the court on the
8 eighth business day.

9 Sec. 546. (1) From the funds appropriated in part 1 for foster
10 care payments and from child care fund, the department shall pay
11 providers of foster care services not less than a \$37.00
12 administrative rate.

13 (2) From the funds appropriated in part 1 for foster care
14 payments and from child care fund, the department shall pay
15 providers of general independent living services not less than a
16 \$28.00 administrative rate.

17 (3) From the funds appropriated in part 1, the department
18 shall pay providers of independent living plus services statewide
19 per diem rates for staff-supported housing and host-home housing
20 based on proposals submitted in response to a solicitation for
21 pricing. The independent living plus program provides staff-
22 supported housing and services for foster youth ages 16 through 19
23 who, because of their individual needs and assessments, are not
24 initially appropriate for general independent living foster care.

25 (4) From the funds appropriated in part 1, the department
26 shall pay providers of foster care services an additional \$8.00
27 administrative rate, if section 117a of the social welfare act,

1 1939 PA 280, MCL 400.117a, is amended to eliminate the county match
2 rate for the additional administrative rate provided in this
3 subsection. Payments under this subsection shall be made, not less
4 than, on a monthly basis.

5 (5) If required by the federal government to meet title IV-E
6 requirements, providers of foster care services shall submit
7 quarterly expenditure reports to the department to identify actual
8 costs of providing foster care services.

9 (6) From the funds appropriated in part 1, the department
10 shall provide an increase to each private provider of residential
11 services, if section 117a of the social welfare act, 1939 PA 280,
12 MCL 400.117a, is amended to eliminate the county match rate for the
13 additional rate provided in this section.

14 Sec. 547. From the funds appropriated in part 1 for the
15 guardianship assistance program, the department shall pay a minimum
16 rate that is not less than the approved age-appropriate payment
17 rates for youth placed in family foster care.

18 Sec. 556. No later than December 1 for the current fiscal
19 year, the department shall provide an annual report to the
20 subcommittees of the senate and house appropriations committees on
21 the department budget, the house and senate fiscal agencies and
22 policy offices, and the state budget director that includes the
23 following:

24 (a) The number of complaints filed by adoptive parents who
25 were not notified that their adopted child had special needs.

26 (b) The number of cases that received redetermined adoption
27 assistance as defined in section 115f of the social welfare act,

1 1939 PA 280, MCL 400.115f, the total expenditures on the program,
2 and the number of cases in each determination of care level of
3 payment.

4 Sec. 558. (1) The department shall explore ways to maximize
5 use of training programs or courses provided through the child
6 welfare training institute accessible online and in service areas
7 throughout the state, provided the delivery is an appropriate
8 option for achieving specific learning objectives. These training
9 programs and courses shall be made available to employees of
10 private child placing agencies and child caring institutions.

11 (2) The department shall conduct a workgroup consisting of
12 members from the department, private child placing agencies, and
13 child caring institutions, with the goal of reducing the current 4
14 weeks of centralized child welfare institute training class time.
15 It is the intent of the legislature that the number of days of in-
16 person pre-service child welfare training be reduced by 50%. Not
17 later than November 1 of the current fiscal year, the department
18 shall provide a report to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies, the senate and house policy offices, and the state budget
21 office on the findings of the workgroup, including the timeline,
22 feasibility, and cost for the implementation plan required to
23 implement the child welfare training institute redesign.

24 (3) The department shall submit to the senate and house
25 appropriations subcommittees on the department budget, the senate
26 and house fiscal agencies, the senate and house policy offices, and
27 the state budget office by March 1 of the current fiscal year a

1 report on the training programs or courses provided through the
2 child welfare training institute described in subsection (1), and
3 the annual cost for each program or course. The report shall
4 include the following data:

5 (a) The number of training programs or courses that were
6 provided for private agencies.

7 (b) The number of employees from private agencies who attended
8 any training.

9 (c) The number of training programs or courses that were
10 provided through an online forum.

11 (d) The number of training programs or courses that were
12 provided in local service areas.

13 (e) For courses that are in-person or not accessible online,
14 attendance figures for each course.

15 Sec. 559. (1) From the funds appropriated in part 1 for
16 adoption support services, the department shall allocate
17 \$250,000.00 to the Adoptive Family Support Network by December 1 of
18 the current fiscal year to operate and expand its adoptive parent
19 mentor program to provide a listening ear, knowledgeable guidance,
20 and community connections to adoptive parents and children who were
21 adopted in this state or another state.

22 (2) The Adoptive Family Support Network shall submit to the
23 senate and house appropriations subcommittees on the department
24 budget, the senate and house fiscal agencies, the senate and house
25 policy offices, and the state budget office by March 1 of the
26 current fiscal year a report on the program described in subsection
27 (1), including, but not limited to, the number of cases served and

1 the number of cases in which the program prevented an out-of-home
2 placement.

3 Sec. 562. The department shall provide time and travel
4 reimbursements for foster parents who transport a foster child to
5 parent-child visitations. As part of the foster care parent
6 contract, the department shall provide written confirmation to
7 foster parents that states that the foster parents have the right
8 to request these reimbursements for all parent-child visitations.
9 The department shall provide these reimbursements within 60 days of
10 receiving a request for eligible reimbursements from a foster
11 parent.

12 Sec. 564. (1) The department shall develop a clear policy for
13 parent-child visitations. The local county offices, caseworkers,
14 and supervisors shall meet a 50% success rate, after accounting for
15 factors outside of the caseworker's control.

16 (2) Per the court-ordered number of required meetings between
17 caseworkers and parent, the caseworkers shall achieve a success
18 rate of 65%, after accounting for factors outside of the
19 caseworker's control.

20 (3) By March 1 of the current fiscal year, the department
21 shall provide to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, the
23 senate and house policy offices, and the state budget office a
24 report on the following:

25 (a) The percentage of success rate for parent-child
26 visitations and court-ordered required meetings between caseworkers
27 referenced in subsections (1) and (2) for the previous year.

1 (b) The barriers to achieve the success rates in subsections
2 (1) and (2) and how this information is tracked.

3 Sec. 567. (1) The caseworker or supervisor who is assigned to
4 a foster care case is responsible for completing a medical passport
5 for the cases assigned to him or her. If a child in foster care is
6 transferred to a new placement or returned to his or her parent's
7 or guardian's home, the medical passport and any school records in
8 the caseworkers' or supervisors' possession must be transferred
9 within 2 weeks from the date of placement or return to the home.

10 (2) The department shall submit to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, the senate and house policy offices, and
13 the state budget office by March 1 of the current fiscal year a
14 report on the items described in subsection (1), including the
15 following:

16 (a) The percentage of medical passports that were properly
17 filled out.

18 (b) From the total medical passports transferred, the
19 percentage that transferred within 2 weeks from the date of
20 placement or return to the home.

21 (c) From the total school records, the percentage that
22 transferred within 2 weeks from the date of placement or return to
23 the home.

24 (d) The implementation steps that have been taken to improve
25 the outcomes for the measures in subdivisions (a) and (b).

26 Sec. 568. (1) From the funds appropriated in part 1 for
27 adoption subsidies, the department shall pay a minimum adoption

1 subsidy rate that is not less than 95% of the rate that was or
2 would have been provided for the adoptee in family foster care at
3 the time of the adoption. This rate includes the determination of
4 care rate that was paid or would have been paid to the adoptive
5 parent for the adoptee in a family foster care placement, and this
6 amount shall be increased to reflect any increase in the standard
7 age appropriate foster care rate.

8 (2) "Determination of care rate" as described in this section
9 means a supplemental payment to the standard age appropriate foster
10 care rate that may be justified when extraordinary care or expense
11 is required. The supplemental payment is based on 1 or more of the
12 following case situations where additional care is required of the
13 foster care provider or adoptive parent or an additional expense
14 exists:

15 (a) Physically disabled children for whom the adoptive parent
16 must provide measurably greater supervision and care.

17 (b) Children with special psychological or psychiatric needs
18 that require extra time and measurably greater amounts of care and
19 attention by the adoptive parent.

20 (c) Children requiring special diets that are more expensive
21 than a normal diet and that require extra time and effort by the
22 adoptive parent to obtain or prepare.

23 (d) Children whose severe acting-out or antisocial behavior
24 requires a measurably greater amount of care and attention of the
25 adoptive parent.

26 (3) The department shall, on a separate form, allow an
27 adoptive parent to sign a certification that he or she rejects a

1 support subsidy.

2 (4) If this section conflicts with state statute enacted
3 subsequent to this act, the state statute controls.

4 Sec. 569. The department shall reimburse private child placing
5 agencies that complete adoptions at the rate according to the date
6 on which the petition for adoption and required support
7 documentation was accepted by the court and not according to the
8 date the court's order placing for adoption was entered.

9 Sec. 574. (1) From the funds appropriated in part 1 for foster
10 care payments, \$2,500,000.00 is allocated to support performance-
11 based contracts with child placing agencies to facilitate the
12 licensure of relative caregivers as foster parents. Agencies shall
13 receive \$2,300.00 for each facilitated licensure if completed
14 within 180 days after a child's placement or, if a waiver was
15 previously approved, 180 days from the application date. If the
16 facilitated licensure, or approved waiver, is completed after 180
17 days, the agency shall receive up to \$2,300.00. The agency
18 facilitating the licensure would retain the placement and continue
19 to provide case management services for at least 50% of the newly
20 licensed cases for which the placement was appropriate to the
21 agency. Up to 50% of the newly licensed cases would have direct
22 foster care services provided by the department.

23 (2) From the funds appropriated for foster care payments,
24 \$375,000.00 is allocated to support family incentive grants to
25 private and community-based foster care service providers to assist
26 with home improvements or payment for physical exams for applicants
27 needed by foster families to accommodate foster children.

1 Sec. 583. By February 1 of the current fiscal year, the
2 department shall provide to the senate and house appropriations
3 subcommittees on the department budget, the senate and house
4 standing committees on families and human services, the senate and
5 house fiscal agencies and policy offices, and the state budget
6 office a report that includes:

7 (a) The number and percentage of foster parents that dropped
8 out of the program in the previous fiscal year and the reasons the
9 foster parents left the program and how those figures compare to
10 prior fiscal years.

11 (b) The number and percentage of foster parents successfully
12 retained in the previous fiscal year and how those figures compare
13 to prior fiscal years.

14 Sec. 585. The department shall make available at least 1 pre-
15 service training class each month in which new caseworkers for
16 private foster care and adoption agencies can enroll.

17 Sec. 588. (1) Concurrently with public release, the department
18 shall transmit all reports from the court-appointed settlement
19 monitor, including, but not limited to, the needs assessment and
20 period outcome reporting, to the state budget office, the senate
21 and house appropriations subcommittees on the department budget,
22 and the senate and house fiscal agencies and policy offices,
23 without revision.

24 (2) The department shall report quarterly to the state budget
25 office, the senate and house appropriations subcommittees on the
26 department budget, the senate and house fiscal agencies, and the
27 senate and house policy offices on the number of children enrolled

1 in the guardianship assistance and foster care - children with
2 serious emotional disturbance waiver programs.

3 Sec. 589. (1) From the funds appropriated in part 1 for child
4 care fund, the department shall pay 100% of the administrative rate
5 for all new cases referred to providers of foster care services.

6 (2) On a monthly basis, the department shall report on the
7 number of all foster care cases administered by the department and
8 all foster care cases administered by private providers.

9 Sec. 593. The department may allow residential service
10 providers for child abuse and child neglect cases to implement a
11 staff ratio during working hours of 1 staff to 5 children.

12 **PUBLIC ASSISTANCE**

13 Sec. 601. Whenever a client agrees to the release of his or
14 her name and address to the local housing authority, the department
15 shall request from the local housing authority information
16 regarding whether the housing unit for which vendoring has been
17 requested meets applicable local housing codes. Vendoring shall be
18 terminated for those units that the local authority indicates in
19 writing do not meet local housing codes until such time as the
20 local authority indicates in writing that local housing codes have
21 been met.

22 Sec. 602. The department shall establish a policy to conduct a
23 full evaluation of an individual's assistance needs if the
24 individual has applied for disability more than 1 time within a 1-
25 year period.

26 Sec. 603. By March 1 of the current fiscal year, the

1 department shall provide to the senate and house appropriations
2 subcommittees on the department budget, the senate and house fiscal
3 agencies, the senate and house policy offices, and the state budget
4 office a report on the steps taken to implement the action plan
5 developed by the Medicaid claim workgroup established in section
6 603 of article X of 2014 PA 252, including the steps taken to
7 implement the action plan developed by the workgroup, and the
8 department's ongoing efforts to maximize Medicaid claims for foster
9 children and adjudicated youths.

10 Sec. 604. (1) The department shall operate a state disability
11 assistance program. Except as provided in subsection (3), persons
12 eligible for this program shall include needy citizens of the
13 United States or aliens exempted from the supplemental security
14 income citizenship requirement who are at least 18 years of age or
15 emancipated minors meeting 1 or more of the following requirements:

16 (a) A recipient of supplemental security income, social
17 security, or medical assistance due to disability or 65 years of
18 age or older.

19 (b) A person with a physical or mental impairment that meets
20 federal supplemental security income disability standards, except
21 that the minimum duration of the disability shall be 90 days.
22 Substance use disorder alone is not defined as a basis for
23 eligibility.

24 (c) A resident of an adult foster care facility, a home for
25 the aged, a county infirmary, or a substance use disorder treatment
26 center.

27 (d) A person receiving 30-day postresidential substance use

1 disorder treatment.

2 (e) A person diagnosed as having acquired immunodeficiency
3 syndrome.

4 (f) A person receiving special education services through the
5 local intermediate school district.

6 (g) A caretaker of a disabled person who meets the
7 requirements specified in subdivision (a), (b), (e), or (f).

8 (2) Applicants for and recipients of the state disability
9 assistance program shall be considered needy if they:

10 (a) Meet the same asset test as is applied for the family
11 independence program.

12 (b) Have a monthly budgetable income that is less than the
13 payment standards.

14 (3) Except for a person described in subsection (1)(c) or (d),
15 a person is not disabled for purposes of this section if his or her
16 drug addiction or alcoholism is a contributing factor material to
17 the determination of disability. "Material to the determination of
18 disability" means that, if the person stopped using drugs or
19 alcohol, his or her remaining physical or mental limitations would
20 not be disabling. If his or her remaining physical or mental
21 limitations would be disabling, then the drug addiction or
22 alcoholism is not material to the determination of disability and
23 the person may receive state disability assistance. Such a person
24 must actively participate in a substance abuse treatment program,
25 and the assistance must be paid to a third party or through vendor
26 payments. For purposes of this section, substance abuse treatment
27 includes receipt of inpatient or outpatient services or

1 participation in alcoholics anonymous or a similar program.

2 Sec. 605. The level of reimbursement provided to state
3 disability assistance recipients in licensed adult foster care
4 facilities shall be the same as the prevailing supplemental
5 security income rate under the personal care category.

6 Sec. 606. County department offices shall require each
7 recipient of family independence program and state disability
8 assistance who has applied with the social security administration
9 for supplemental security income to sign a contract to repay any
10 assistance rendered through the family independence program or
11 state disability assistance program upon receipt of retroactive
12 supplemental security income benefits.

13 Sec. 607. (1) The department's ability to satisfy
14 appropriation deductions in part 1 for state disability
15 assistance/supplemental security income recoveries and public
16 assistance recoupment revenues shall not be limited to recoveries
17 and accruals pertaining to state disability assistance, or family
18 independence assistance grant payments provided only in the current
19 fiscal year, but may include revenues collected during the current
20 year that are prior year related and not a part of the department's
21 accrued entries.

22 (2) The department may use supplemental security income
23 recoveries to satisfy the deduct in any line in which the revenues
24 are appropriated, regardless of the source from which the revenue
25 is recovered.

26 Sec. 608. Adult foster care facilities providing domiciliary
27 care or personal care to residents receiving supplemental security

1 income or homes for the aged serving residents receiving
2 supplemental security income shall not require those residents to
3 reimburse the home or facility for care at rates in excess of those
4 legislatively authorized. To the extent permitted by federal law,
5 adult foster care facilities and homes for the aged serving
6 residents receiving supplemental security income shall not be
7 prohibited from accepting third-party payments in addition to
8 supplemental security income if the payments are not for food,
9 clothing, shelter, or result in a reduction in the recipient's
10 supplemental security income payment.

11 Sec. 609. The state supplementation level under the
12 supplemental security income program for the personal care/adult
13 foster care and home for the aged categories shall not be reduced
14 during the current fiscal year. The legislature shall be notified
15 not less than 30 days before any proposed reduction in the state
16 supplementation level.

17 Sec. 610. (1) In developing good cause criteria for the state
18 emergency relief program, the department shall grant exemptions if
19 the emergency resulted from unexpected expenses related to
20 maintaining or securing employment.

21 (2) For purposes of determining housing affordability
22 eligibility for state emergency relief, a group is considered to
23 have sufficient income to meet ongoing housing expenses if their
24 total housing obligation does not exceed 75% of their total net
25 income.

26 (3) State emergency relief payments shall not be made to
27 individuals who have been found guilty of fraud in regard to

1 obtaining public assistance.

2 (4) State emergency relief payments shall not be made
3 available to persons who are out-of-state residents or illegal
4 immigrants.

5 (5) State emergency relief payments for rent assistance shall
6 be distributed directly to landlords and shall not be added to
7 Michigan bridge cards.

8 Sec. 611. The state supplementation level under the
9 supplemental security income program for the living independently
10 or living in the household of another categories shall not exceed
11 the minimum state supplementation level as required under federal
12 law or regulations.

13 Sec. 613. (1) The department shall provide reimbursements for
14 the final disposition of indigent persons. The reimbursements shall
15 include the following:

16 (a) The maximum allowable reimbursement for the final
17 disposition is \$800.00.

18 (b) The adult burial with services allowance is \$725.00.

19 (c) The adult burial without services allowance is \$490.00.

20 (d) The infant burial allowance is \$170.00.

21 (2) It is the intent of the legislature that this charge limit
22 reflect a total increase of \$5.00 per case in payments to funeral
23 directors for funeral goods and services over the payment rate in
24 place for the previous fiscal year. In addition, reimbursement for
25 a cremation permit fee of up to \$75.00 and for mileage at the
26 standard rate will also be made available for an eligible
27 cremation. The reimbursements under this section shall take into

1 consideration religious preferences that prohibit cremation.

2 Sec. 614. The department shall report to the senate and house
3 of representatives appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies, and the senate and
5 house policy offices by January 15 of the current fiscal year on
6 the number and percentage of state disability assistance recipients
7 who were determined to be eligible for federal supplemental
8 security income benefits in the previous fiscal year.

9 Sec. 615. Except as required by federal law or regulations,
10 funds appropriated in part 1 shall not be used to provide public
11 assistance to a person who is an illegal alien. This section shall
12 not prohibit the department from entering into contracts with food
13 banks, emergency shelter providers, or other human services
14 agencies who may, as a normal part of doing business, provide food
15 or emergency shelter.

16 Sec. 616. The department shall require retailers that
17 participate in the electronic benefits transfer program to charge
18 no more than \$2.50 in fees for cash back as a condition of
19 participation.

20 Sec. 617. The department shall prepare a report on the number
21 and percentage of public assistance recipients, categorized by type
22 of assistance received, who were no longer eligible for assistance
23 because of their status in the law enforcement information network
24 and provide the report by January 15 of the current fiscal year to
25 the senate and house appropriations subcommittees on the department
26 budget, the senate and house standing committees on families and
27 human services, and the senate and house fiscal agencies and policy

1 offices.

2 Sec. 619. (1) Subject to subsection (2), the department shall
3 exempt from the denial of title IV-A assistance and food assistance
4 benefits under 21 USC 862a any individual who has been convicted of
5 a felony that included the possession, use, or distribution of a
6 controlled substance, after August 22, 1996, if the individual is
7 not in violation of his or her probation or parole requirements.
8 Benefits shall be provided to such individuals as follows:

9 (a) A third-party payee or vendor shall be required for any
10 cash benefits provided.

11 (b) An authorized representative shall be required for food
12 assistance receipt.

13 (2) Subject to federal approval, an individual is not entitled
14 to the exemption in this section if the individual was convicted in
15 2 or more separate cases of a felony that included the possession,
16 use, or distribution of a controlled substance after August 22,
17 1996.

18 Sec. 620. (1) The department shall make a determination of
19 Medicaid eligibility not later than 90 days if disability is an
20 eligibility factor. For all other Medicaid applicants, including
21 patients of a nursing home, the department shall make a
22 determination of Medicaid eligibility within 45 days of
23 application.

24 (2) The department shall report on a quarterly basis to the
25 senate and house appropriations subcommittees on the department
26 budget, the senate and house standing committees on families and
27 human services, the senate and house fiscal agencies, the senate

1 and house policy offices, and the state budget office on the
2 average Medicaid eligibility standard of promptness for each of the
3 required standards of promptness under subsection (1) and for
4 medical review team reviews achieved statewide and at each local
5 office.

6 Sec. 625. From the funds appropriated in part 1 for SSI
7 advocacy legal services, the department shall allocate \$500,000.00
8 to contract with the Legal Services Association of Michigan to
9 provide assistance to individuals who have applied for or wish to
10 apply for SSI or other federal disability benefits. The Legal
11 Services Association of Michigan shall provide a list of new
12 recipients accepted to the department to verify that services have
13 been provided to department recipients. The Legal Services
14 Association of Michigan and the department shall work together to
15 develop release forms to share information in appropriate cases.
16 The Legal Services Association of Michigan shall provide quarterly
17 reports indicating cases opened, cases closed, level of services
18 provided on closed cases, and case outcomes on closed cases.

19 Sec. 630. From the funds appropriated in part 1 for family
20 independence program, the department shall conduct a suspicion-
21 based drug testing pilot program for the family independence
22 program according to sections 57y and 57z of the social welfare
23 act, 1939 PA 280, MCL 400.57y and 400.57z.

24 Sec. 642. The department shall allocate the full amount of
25 funds appropriated in part 1 for homeless programs to provide
26 services for homeless individuals and families, including, but not
27 limited to, third-party contracts for emergency shelter services.

1 Sec. 643. As a condition of receipt of federal TANF funds,
2 homeless shelters and human services agencies shall collaborate
3 with the department to obtain necessary TANF eligibility
4 information on families as soon as possible after admitting a
5 family to the homeless shelter. From the funds appropriated in part
6 1 for homeless programs, the department is authorized to make
7 allocations of TANF funds only to the agencies that report
8 necessary data to the department for the purpose of meeting TANF
9 eligibility reporting requirements. Homeless shelters or human
10 services agencies that do not report necessary data to the
11 department for the purpose of meeting TANF eligibility reporting
12 requirements will not receive reimbursements that exceed the per
13 diem amount they received in fiscal year 2000. The use of TANF
14 funds under this section should not be considered an ongoing
15 commitment of funding.

16 Sec. 645. An individual or family is considered homeless, for
17 purposes of eligibility for state emergency relief, if living
18 temporarily with others in order to escape domestic violence. For
19 purposes of this section, domestic violence is defined and verified
20 in the same manner as in the department's policies on good cause
21 for not cooperating with child support and paternity requirements.

22 Sec. 653. From the funds appropriated in part 1 for food
23 assistance, an individual who is the victim of domestic violence
24 and does not qualify for any other exemption may be exempt from the
25 3-month in 36-month limit on receiving food assistance under 7 USC
26 2015. This exemption can be extended an additional 3 months upon
27 demonstration of continuing need.

1 Sec. 654. The department shall notify recipients of food
2 assistance program benefits that their benefits can be spent with
3 their bridge cards at many farmers' markets in the state. The
4 department shall also notify recipients about the Double Up Food
5 Bucks program that is administered by the Fair Food Network.
6 Recipients shall receive information about the Double Up Food Bucks
7 program, including information that when the recipient spends
8 \$20.00 at participating farmers' markets through the program, the
9 recipient can receive an additional \$20.00 to buy Michigan produce.

10 Sec. 655. Within 14 days after the spending plan for low-
11 income home energy assistance program is approved by the state
12 budget office, the department shall provide the spending plan,
13 including itemized projected expenditures, to the chairpersons of
14 the senate and house appropriations subcommittees on the department
15 budget, the senate and house fiscal agencies, the senate and house
16 policy offices, and the state budget office.

17 Sec. 660. From the funds appropriated in part 1 for Food Bank
18 Council of Michigan, the department is authorized to make
19 allocations of TANF funds only to the agencies that report
20 necessary data to the department for the purpose of meeting TANF
21 eligibility reporting requirements. The agencies that do not report
22 necessary data to the department for the purpose of meeting TANF
23 eligibility reporting requirements will not receive allocations in
24 excess of those received in fiscal year 2000. The use of TANF funds
25 under this section should not be considered an ongoing commitment
26 of funding.

27 Sec. 669. The department shall allocate \$6,270,000.00 for the

1 annual clothing allowance. The allowance shall be granted to all
2 eligible children in a family independence program group.

3 Sec. 672. (1) The department's office of inspector general
4 shall report to the senate and house of representatives
5 appropriations subcommittees on the department budget, the senate
6 and house fiscal agencies, and the senate and house policy offices
7 by February 15 of the current fiscal year on department efforts to
8 reduce inappropriate use of Michigan bridge cards. The department
9 shall provide information on the number of recipients of services
10 who used their electronic benefit transfer card inappropriately and
11 the current status of each case, the number of recipients whose
12 benefits were revoked, whether permanently or temporarily, as a
13 result of inappropriate use, and the number of retailers that were
14 fined or removed from the electronic benefit transfer program for
15 permitting inappropriate use of the cards.

16 (2) As used in this section, "inappropriate use" means not
17 used to meet a family's ongoing basic needs, including food,
18 clothing, shelter, utilities, household goods, personal care items,
19 and general incidentals.

20 Sec. 677. (1) The department shall establish a state goal for
21 the percentage of family independence program cases involved in
22 employment activities. The percentage established shall not be less
23 than 50%. The goal for long-term employment shall be 15% of cases
24 for 6 months or more.

25 (2) On a quarterly basis, the department shall report to the
26 senate and house appropriations subcommittees on the department
27 budget, the senate and house fiscal agencies and policy offices,

1 and the state budget director on the number of cases referred to
2 Partnership. Accountability. Training. Hope. (PATH), the current
3 percentage of family independence program cases involved in PATH
4 employment activities, an estimate of the current percentage of
5 family independence program cases that meet federal work
6 participation requirements on the whole, and an estimate of the
7 current percentage of the family independence program cases that
8 meet federal work participation requirements for those cases
9 referred to PATH.

10 (3) The department shall submit to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, the senate and house policy offices, and
13 the state budget office a quarterly report that includes all of the
14 following:

15 (a) The number and percentage of nonexempt family independence
16 program recipients who are employed.

17 (b) The average and range of wages of employed family
18 independence program recipients.

19 (c) The number and percentage of employed family independence
20 program recipients who remain employed for 6 months or more.

21 Sec. 686. (1) The department shall ensure that program policy
22 requires caseworkers to confirm that individuals presenting
23 personal identification issued by another state seeking assistance
24 through the family independence program, food assistance program,
25 state disability assistance program, or medical assistance program
26 are not receiving benefits from any other state.

27 (2) The department shall require caseworkers to confirm the

1 address provided by any individual seeking family independence
2 program benefits or state disability assistance benefits.

3 (3) The department shall prohibit individuals with property
4 assets assessed at a value higher than \$200,000.00 from accessing
5 assistance through department-administered programs, unless such a
6 prohibition would violate federal rules and guidelines.

7 (4) The department shall require caseworkers to obtain an up-
8 to-date telephone number during the eligibility determination or
9 redetermination process for individuals seeking medical assistance
10 benefits.

11 Sec. 687. (1) The department shall, on a quarterly basis by
12 February 1, May 1, August 1, and November 1, compile and make
13 available on its website all of the following information about the
14 family independence program, state disability assistance, the food
15 assistance program, Medicaid, and state emergency relief:

16 (a) The number of applications received.

17 (b) The number of applications approved.

18 (c) The number of applications denied.

19 (d) The number of applications pending and neither approved
20 nor denied.

21 (e) The number of cases opened.

22 (f) The number of cases closed.

23 (g) The number of cases at the beginning of the quarter and
24 the number of cases at the end of the quarter.

25 (2) The information provided under subsection (1) shall be
26 compiled and made available for the state as a whole and for each
27 county and reported separately for each program listed in

subsection (1).

(3) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website the family independence program information listed as follows:

(a) The number of new applicants who successfully met the requirements of the 21-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 21-day assessment period for PATH.

(c) The number of cases sanctioned because of the school truancy policy.

(d) The number of cases closed because of the 48-month and 60-month lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children ages 0-5 living in FIP-sanctioned households.

(4) The department shall notify the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices when the reports required in this section are made available on the department's website.

CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE SERVICES

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written

1 consent from a representative of the private residential facility.

2 Sec. 706. Counties shall be subject to 50% chargeback for the
3 use of alternative regional detention services, if those detention
4 services do not fall under the basic provision of section 117e of
5 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county
6 operates those detention services programs primarily with
7 professional rather than volunteer staff.

8 Sec. 707. In order to be reimbursed for child care fund
9 expenditures, counties are required to submit department-developed
10 reports to enable the department to document potential federally
11 claimable expenditures. This requirement is in accordance with the
12 reporting requirements specified in section 117a(7) of the social
13 welfare act, 1939 PA 280, MCL 400.117a.

14 Sec. 708. (1) As a condition of receiving funds appropriated
15 in part 1 for the child care fund line item, by December 15 of the
16 current fiscal year, counties shall have an approved service
17 spending plan for the current fiscal year. Counties must submit the
18 service spending plan to the department by October 1 of the current
19 fiscal year for approval. Upon submission of the county service
20 spending plan, the department shall approve within 30 calendar days
21 after receipt of a properly completed service plan that complies
22 with the requirements of the social welfare act, 1939 PA 280, MCL
23 400.1 to 400.119b. The department shall notify and submit county
24 service spending plan revisions to any county whose county service
25 spending plan is not accepted upon initial submission. The
26 department shall not request any additional revisions to a county
27 service spending plan outside of the requested revision

1 notification submitted to the county by the department. The
2 department shall notify a county within 30 days after approval that
3 its service plan was approved.

4 (2) The department shall submit a report to the house and
5 senate appropriations subcommittees on the department budget, the
6 house and senate fiscal agencies, and the house and senate policy
7 offices by February 15 of the current fiscal year on the number of
8 counties that fail to submit a service spending plan by October 1
9 and the number of service spending plans not approved by December
10 15. The report shall include the number of county service spending
11 plans that were not approved as first submitted by the counties, as
12 well as the number of plans that were not approved by the
13 department after being resubmitted by the county with the first
14 revisions that were requested by the department.

15 Sec. 709. (1) The department's master contract for juvenile
16 justice residential foster care services shall be amended to
17 prohibit contractors from denying a referral for placement of a
18 youth, or terminating a youth's placement, if the youth's assessed
19 treatment needs are in alignment with the facility's residential
20 program type, as identified by the court or the department. In
21 addition, the master contract shall require that youth placed in
22 juvenile justice residential foster care facilities must have
23 regularly scheduled treatment sessions with a licensed psychologist
24 or psychiatrist, or both, and access to the licensed psychologist
25 or psychiatrist as needed.

26 (2) The rates established for private residential juvenile
27 justice facilities that were in effect on October 1, 2015 remain in

1 effect for the current fiscal year.

2 (3) The department shall submit a report by December 31 of the
3 current fiscal year to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, and the senate and house policy offices on the current
6 placement and status of the youth transferred from the W.J. Maxey
7 Training School during the previous and current fiscal year as a
8 result of the closure.

9 Sec. 721. If the demand for placements at state-operated
10 juvenile justice residential facilities exceeds capacity, the
11 department shall not increase the available occupancy or services
12 at the facilities, and shall post a request for proposals for a
13 contract with not less than 1 private provider of residential
14 services for juvenile justice youth to be a residential facility of
15 last resort.

16 **FIELD OPERATIONS AND SUPPORT SERVICES**

17 Sec. 801. (1) Funds appropriated in part 1 for independent
18 living shall be used to support the general operations of centers
19 for independent living in delivering mandated independent living
20 services in compliance with federal rules and regulations for the
21 centers, by existing centers for independent living to serve
22 underserved areas, and for projects to build the capacity of
23 centers for independent living to deliver independent living
24 services. Applications for the funds shall be reviewed in
25 accordance with criteria and procedures established by the
26 department. The funds appropriated in part 1 may be used to

1 leverage federal vocational rehabilitation innovation and expansion
2 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if
3 available. If the possibility of matching federal funds exists, the
4 centers for independent living network will negotiate a mutually
5 beneficial contractual arrangement with Michigan rehabilitation
6 services. Funds shall be used in a manner consistent with the state
7 plan for independent living. Services provided should assist people
8 with disabilities to move toward self-sufficiency, including
9 support for accessing transportation and health care, obtaining
10 employment, community living, nursing home transition, information
11 and referral services, education, youth transition services,
12 veterans, and stigma reduction activities and community education.
13 This includes the independent living guide project that
14 specifically focuses on economic self-sufficiency.

15 (2) The Michigan centers for independent living shall provide
16 a report by March 1 of the current fiscal year to the house and
17 senate appropriations subcommittees on the department budget, the
18 house and senate fiscal agencies, the house and senate policy
19 offices, and the state budget office on direct customer and system
20 outcomes and performance measures.

21 Sec. 802. The Michigan rehabilitation services shall work
22 collaboratively with the bureau of services for blind persons,
23 service organizations, and government entities to identify
24 qualified match dollars to maximize use of available federal
25 vocational rehabilitation funds.

26 Sec. 803. The department shall provide an annual report by
27 February 1 to the house and senate appropriations subcommittees on

1 the department budget, the house and senate fiscal agencies, and
2 house and senate policy offices on efforts taken to improve the
3 Michigan rehabilitation services. The report shall include all of
4 the following items:

5 (a) Reductions and changes in administration costs and
6 staffing.

7 (b) Service delivery plans and implementation steps achieved.

8 (c) Reorganization plans and implementation steps achieved.

9 (d) Plans to integrate Michigan rehabilitative services
10 programs into other services provided by the department.

11 (e) Quarterly expenditures by major spending category.

12 (f) Employment and job retention rates from both Michigan
13 rehabilitation services and its nonprofit partners.

14 (g) Success rate of each district in achieving the program
15 goals.

16 Sec. 804. From the funds appropriated in part 1 for Michigan
17 rehabilitation services, the department shall allocate \$50,000.00
18 along with available federal match to support the provision of
19 vocational rehabilitation services to eligible agricultural workers
20 with disabilities. Authorized services shall assist agricultural
21 workers with disabilities in acquiring or maintaining quality
22 employment and independence.

23 Sec. 805. It is the intent of the legislature that Michigan
24 rehabilitation services shall not implement an order of selection
25 for vocational and rehabilitative services. If the department is at
26 risk of entering into an order of selection for services, the
27 department shall notify the chairs of the senate and house

1 subcommittees on the department budget and the senate and house
2 fiscal agencies and policy offices within 2 weeks of receiving
3 notification.

4 Sec. 806. From the funds appropriated in part 1 for Michigan
5 rehabilitation services, the department shall allocate
6 \$6,100,300.00, including federal matching funds, to service
7 authorizations with community-based rehabilitation organizations
8 for job development and other community employment-related support
9 services.

10 Sec. 807. From the funds appropriated in part 1 for Elder Law
11 of Michigan MiCAFE contract, the department shall allocate not less
12 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
13 state's elderly population in participating in the food assistance
14 program. Of the \$350,000.00 allocated under this section, the
15 department shall use \$175,000.00, which are general fund/general
16 purpose funds, as state matching funds for not less than
17 \$175,000.00 in United States Department of Agriculture funding to
18 provide outreach program activities, such as eligibility screening
19 and information services, as part of a statewide food assistance
20 hotline.

21 Sec. 825. From the funds appropriated in part 1, the
22 department shall provide individuals not more than \$500.00 for
23 vehicle repairs, including any repairs done in the previous 12
24 months. However, the department may in its discretion pay for
25 repairs up to \$900.00. Payments under this section shall include
26 the combined total of payments made by the department and work
27 participation program.

1 Sec. 850. (1) The department shall maintain out-stationed
2 eligibility specialists in community-based organizations, community
3 mental health agencies, nursing homes, adult placement and
4 independent living settings, federally qualified health centers,
5 and hospitals unless a community-based organization, community
6 mental health agency, nursing home, adult placement and independent
7 living setting, federally qualified health centers, or hospital
8 requests that the program be discontinued at its facility.

9 (2) From the funds appropriated in part 1 for donated funds
10 positions, the department shall enter into a contract with any
11 agency that requests a donated funds position and is able and
12 eligible under federal law to provide the required matching funds
13 for federal funding, as determined by federal statute and
14 regulations. If the department denies a request for donated funds
15 positions, the department shall provide to the agency that made the
16 request the federal statute or regulation that supports the denial.
17 If there is no federal statute or regulation that supports the
18 denial, the department shall grant the request for the donated
19 funds position.

20 (3) A contract for a donated funds position must include, but
21 not be limited to, the following performance metrics:

22 (a) Meeting a standard of promptness for processing
23 applications for Medicaid and other public assistance programs
24 under state law.

25 (b) Meeting required standards for error rates in determining
26 programmatic eligibility as determined by the department.

27 (4) The department shall only fill additional donated funds

1 positions after a new contract has been signed. That position shall
2 also be abolished when the contract expires or is terminated.

3 (5) The department shall classify as limited-term FTEs any new
4 employees who are hired to fulfill the donated funds position
5 contracts or are hired to fill any vacancies from employees who
6 transferred to a donated funds position.

7 (6) By March 1 of the current fiscal year, the department
8 shall submit a report to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies and policy offices, and the state budget office detailing
11 information on the donated funds positions, including the total
12 number of occupied positions, the total private contribution of the
13 positions, and the total cost to the state for any nonsalary
14 expenditure for the donated funds position employees.

15 **BEHAVIORAL HEALTH SERVICES**

16 Sec. 901. Funds appropriated in part 1 are intended to support
17 a system of comprehensive community mental health services under
18 the full authority and responsibility of local CMHSPs or PIHPs in
19 accordance with the mental health code, 1974 PA 258, MCL 330.1001
20 to 330.2106, the Medicaid provider manual, federal Medicaid
21 waivers, and all other applicable federal and state laws.

22 Sec. 902. (1) From funds appropriated in part 1, final
23 authorizations to CMHSPs or PIHPs shall be made upon the execution
24 of contracts between the department and CMHSPs or PIHPs. The
25 contracts shall contain an approved plan and budget as well as
26 policies and procedures governing the obligations and

1 responsibilities of both parties to the contracts. Each contract
2 with a CMHSP or PIHP that the department is authorized to enter
3 into under this subsection shall include a provision that the
4 contract is not valid unless the total dollar obligation for all of
5 the contracts between the department and the CMHSPs or PIHPs
6 entered into under this subsection for the current fiscal year does
7 not exceed the amount of money appropriated in part 1 for the
8 contracts authorized under this subsection.

9 (2) The department shall immediately report to the senate and
10 house appropriations subcommittees on the department budget, the
11 senate and house fiscal agencies, and the state budget director if
12 either of the following occurs:

13 (a) Any new contracts the department has entered into with
14 CMHSPs or PIHPs that would affect rates or expenditures.

15 (b) Any amendments to contracts the department has entered
16 into with CMHSPs or PIHPs that would affect rates or expenditures.

17 (3) The report required by subsection (2) shall include
18 information about the changes and their effects on rates and
19 expenditures.

20 Sec. 904. (1) Not later than May 31 of the current fiscal
21 year, the department shall provide a report on the CMHSPs, PIHPs,
22 regional entities designated by the department as PIHPs, and
23 managing entities for substance use disorders to the members of the
24 house and senate appropriations subcommittees on the department
25 budget, the house and senate fiscal agencies, and the state budget
26 director that includes the information required by this section.

27 (2) The report shall contain information for each CMHSP, PIHP,

1 regional entity designated by the department as a PIHP, and
2 managing entity for substance use disorders and a statewide
3 summary, each of which shall include at least the following
4 information:

5 (a) A demographic description of service recipients that,
6 minimally, shall include reimbursement eligibility, client
7 population, age, ethnicity, housing arrangements, and diagnosis.

8 (b) Per capita expenditures in total and by client population
9 group and cultural and ethnic groups of the services area,
10 including the deaf and hard of hearing population.

11 (c) Financial information that, minimally, includes a
12 description of funding authorized; expenditures by diagnosis group,
13 service category, and reimbursement eligibility; and cost
14 information by Medicaid, Healthy Michigan plan, state appropriated
15 non-Medicaid mental health services, local funding, and other fund
16 sources, including administration and funds specified for all
17 outside contracts for services and products. Financial information
18 must include the amount of funding, from each fund source, used to
19 cover clinical services and supports. Service category includes all
20 department-approved services.

21 (d) Data describing service outcomes that include, but are not
22 limited to, an evaluation of consumer satisfaction, consumer
23 choice, and quality of life concerns including, but not limited to,
24 housing and employment.

25 (e) Information about access to CMHSPs that includes, but is
26 not limited to, the following:

27 (i) The number of people receiving requested services.

1 (ii) The number of people who requested services but did not
2 receive services.

3 (f) The number of second opinions requested under the code and
4 the determination of any appeals.

5 (g) Lapses and carryforwards during the immediately preceding
6 fiscal year for CMHSPs, PIHPs, regional entities designated by the
7 department as PIHPs, and managing entities for substance use
8 disorders.

9 (h) Performance indicator information required to be submitted
10 to the department in the contracts with CMHSPs, PIHPs, regional
11 entities designated by the department as PIHPs, and managing
12 entities for substance use disorders.

13 (i) Administrative expenditures of each CMHSP, PIHP, regional
14 entity designated by the department as a PIHP, and managing entity
15 for substance use disorders that includes a breakout of the salary,
16 benefits, and pension of each executive level staff and shall
17 include the director, chief executive, and chief operating officers
18 and other members identified as executive staff.

19 (3) The department shall include data reporting requirements
20 listed in subsection (2) in the annual contract with each
21 individual CMHSP, PIHP, regional entity designated by the
22 department as a PIHP, and managing entity for substance use
23 disorders.

24 (4) The department shall take all reasonable actions to ensure
25 that the data required are complete and consistent among all
26 CMHSPs, PIHPs, regional entities designated by the department as
27 PIHPs, and managing entities for substance use disorders.

1 Sec. 906. (1) The funds appropriated in part 1 for the state
2 disability assistance substance use disorder services program shall
3 be used to support per diem room and board payments in substance
4 use disorder residential facilities. Eligibility of clients for the
5 state disability assistance substance use disorder services program
6 shall include needy persons 18 years of age or older, or
7 emancipated minors, who reside in a substance use disorder
8 treatment center.

9 (2) The department shall reimburse all licensed substance use
10 disorder programs eligible to participate in the program at a rate
11 equivalent to that paid by the department to adult foster care
12 providers. Programs accredited by department-approved accrediting
13 organizations shall be reimbursed at the personal care rate, while
14 all other eligible programs shall be reimbursed at the domiciliary
15 care rate.

16 Sec. 907. (1) The amount appropriated in part 1 for substance
17 use disorder prevention, education, and treatment grants shall be
18 expended to coordinate care and services provided to individuals
19 with severe and persistent mental illness and substance use
20 disorder diagnoses.

21 (2) The department shall approve managing entity fee schedules
22 for providing substance use disorder services and charge
23 participants in accordance with their ability to pay.

24 (3) The managing entity shall continue current efforts to
25 collaborate on the delivery of services to those clients with
26 mental illness and substance use disorder diagnoses with the goal
27 of providing services in an administratively efficient manner.

1 Sec. 908. (1) By April 1 of the current fiscal year, the
2 department shall report the following data from the prior fiscal
3 year on substance use disorder prevention, education, and treatment
4 programs to the senate and house appropriations subcommittees on
5 the department budget, the senate and house fiscal agencies, and
6 the state budget office:

7 (a) Expenditures stratified by department-designated community
8 mental health entity, by central diagnosis and referral agency, by
9 fund source, by subcontractor, by population served, and by service
10 type. Additionally, data on administrative expenditures by
11 department-designated community mental health entity shall be
12 reported.

13 (b) Expenditures per state client, with data on the
14 distribution of expenditures reported using a histogram approach.

15 (c) Number of services provided by central diagnosis and
16 referral agency, by subcontractor, and by service type.
17 Additionally, data on length of stay, referral source, and
18 participation in other state programs.

19 (d) Collections from other first- or third-party payers,
20 private donations, or other state or local programs, by department-
21 designated community mental health entity, by subcontractor, by
22 population served, and by service type.

23 (2) The department shall take all reasonable actions to ensure
24 that the required data reported are complete and consistent among
25 all department-designated community mental health entities.

26 Sec. 910. The department shall ensure that substance use
27 disorder treatment is provided to applicants and recipients of

1 public assistance through the department who are required to obtain
2 substance use disorder treatment as a condition of eligibility for
3 public assistance.

4 Sec. 911. (1) The department shall ensure that each contract
5 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
6 programs to encourage diversion of individuals with serious mental
7 illness, serious emotional disturbance, or developmental disability
8 from possible jail incarceration when appropriate.

9 (2) Each CMHSP or PIHP shall have jail diversion services and
10 shall work toward establishing working relationships with
11 representative staff of local law enforcement agencies, including
12 county prosecutors' offices, county sheriffs' offices, county
13 jails, municipal police agencies, municipal detention facilities,
14 and the courts. Written interagency agreements describing what
15 services each participating agency is prepared to commit to the
16 local jail diversion effort and the procedures to be used by local
17 law enforcement agencies to access mental health jail diversion
18 services are strongly encouraged.

19 Sec. 912. The department shall contract directly with the
20 Salvation Army harbor light program to provide non-Medicaid
21 substance use disorder services if the local coordinating agency or
22 the department confirms the Salvation Army harbor light program
23 meets the standard of care. The standard of care shall include, but
24 is not limited to, utilization of the medication assisted treatment
25 option.

26 Sec. 918. On or before the twenty-fifth of each month, the
27 department shall report to the senate and house appropriations

1 subcommittees on the department budget, the senate and house fiscal
2 agencies, and the state budget director on the amount of funding
3 paid to PIHPs to support the Medicaid managed mental health care
4 program in the preceding month. The information shall include the
5 total paid to each PIHP, per capita rate paid for each eligibility
6 group for each PIHP, and number of cases in each eligibility group
7 for each PIHP, and year-to-date summary of eligibles and
8 expenditures for the Medicaid managed mental health care program.

9 Sec. 920. (1) As part of the Medicaid rate-setting process for
10 behavioral health services, the department shall work with PIHP
11 network providers and actuaries to include any state and federal
12 wage and compensation increases that directly impact staff who
13 provide Medicaid-funded community living supports, personal care
14 services, respite services, skill-building services, and other
15 similar supports and services as part of the Medicaid rate.

16 (2) It is the intent of the legislature that any increased
17 Medicaid rate related to state minimum wage increases shall also be
18 distributed to direct care employees.

19 Sec. 928. (1) Each PIHP shall provide, from internal
20 resources, local funds to be used as a part of the state match
21 required under the Medicaid program in order to increase capitation
22 rates for PIHPs. These funds shall not include either state funds
23 received by a CMHSP for services provided to non-Medicaid
24 recipients or the state matching portion of the Medicaid capitation
25 payments made to a PIHP.

26 (2) It is the intent of the legislature that any funds that
27 lapse from the funds appropriated in part 1 for Medicaid mental

1 health services shall be redistributed to individual CMHSPs as a
2 reimbursement of local funds on a proportional basis to those
3 CMHSPs whose local funds were used as state Medicaid match. By
4 April 1 of the current fiscal year, the department shall report to
5 the senate and house appropriations subcommittees on the department
6 budget, the senate and house fiscal agencies, the senate and house
7 policy offices, and the state budget office on the lapse by PIHP
8 from the previous fiscal year and the projected lapse by PIHP in
9 the current fiscal year.

10 Sec. 935. A county required under the provisions of the mental
11 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
12 matching funds to a CMHSP for mental health services rendered to
13 residents in its jurisdiction shall pay the matching funds in equal
14 installments on not less than a quarterly basis throughout the
15 fiscal year, with the first payment being made by October 1 of the
16 current fiscal year.

17 Sec. 940. (1) According to section 236 of the mental health
18 code, 1974 PA 258, MCL 330.1236, the department shall do both of
19 the following:

20 (a) Review expenditures for each CMHSP to identify CMHSPs with
21 projected allocation surpluses and to identify CMHSPs with
22 projected allocation shortfalls. The department shall encourage the
23 board of a CMHSP with a projected allocation surplus to concur with
24 the department's recommendation to reallocate those funds to CMHSPs
25 with projected allocation shortfalls.

26 (b) Withdraw funds that have been allocated to a CMHSP if
27 those funds were expended in a manner not provided for in the

1 approved contract and operating budget, including expending funds
2 on services and programs provided to individuals residing outside
3 of the CMHSP's geographic region.

4 (2) A CMHSP that has its funding allocation transferred out or
5 withdrawn during the current fiscal year as described in subsection
6 (1) is not eligible for any additional funding reallocations during
7 the remainder of the current fiscal year.

8 (3) The department shall notify the chairs of the
9 appropriation subcommittees on the department budget when a request
10 is made and when the department grants approval for reallocation or
11 withdraw as described in subsection (1). By September 30 of the
12 current fiscal year, the department shall provide a report on the
13 amount of funding reallocated or withdrawn to the senate and house
14 appropriation subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices, and
16 the state budget office.

17 Sec. 941. From the funds appropriated in part 1 for community
18 mental health non-Medicaid services, no less than \$3,000,000.00
19 shall be allocated to CMHSPs to support costs related to Medicaid
20 spenddown beneficiaries having to satisfy monthly deductible
21 requirements.

22 Sec. 942. A CMHSP shall provide at least 30 days' notice
23 before reducing, terminating, or suspending services provided by a
24 CMHSP to CMHSP clients, with the exception of services authorized
25 by a physician that no longer meet established criteria for medical
26 necessity.

27 Sec. 958. Medicaid services shall include treatment for autism

1 spectrum disorders as defined in the federally approved Medicaid
2 state plan. These services may be coordinated with the Medicaid
3 health plans and the Michigan Association of Health Plans.

4 Sec. 960. (1) From the funds appropriated in part 1 for
5 university autism programs, the department shall continue a grant
6 process for autism programs. These grants are intended to increase
7 the number of applied behavioral analysts, increase the number of
8 autism diagnostic services provided, or increase employment of
9 individuals who are diagnosed with autism spectrum disorder.

10 (2) As a condition of accepting the grants described in
11 subsection (1), each university shall track and report back to the
12 department where the individuals who have completed the applied
13 behavioral analysis training are initially employed and the
14 location of the initial employment.

15 (3) Outcomes and performance measures related to this
16 initiative include, but are not limited to, the following:

17 (a) An increase in applied behavioral analysts certified from
18 university autism programs.

19 (b) The number of autism diagnostic services provided.

20 (c) The employment rate of employment program participants.

21 (d) The employment rate of applied behavioral analysts trained
22 through the university autism programs.

23 Sec. 994. (1) Contingent upon federal approval, if a CMHSP,
24 PIHP, or subcontracting provider agency is reviewed and accredited
25 by a national accrediting entity for behavioral health care
26 services, the department, by April 1 of the current fiscal year,
27 shall consider that CMHSP, PIHP, or subcontracting provider agency

1 in compliance with state program review and audit requirements that
2 are addressed and reviewed by that national accrediting entity.

3 (2) By June 1 of the current fiscal year, the department shall
4 report to the house and senate appropriations subcommittees on the
5 department budget, the house and senate fiscal agencies, and the
6 state budget office all of the following:

7 (a) A list of each CMHSP, PIHP, and subcontracting provider
8 agency that is considered in compliance with state program review
9 and audit requirements under subsection (1).

10 (b) For each CMHSP, PIHP, or subcontracting provider agency
11 described in subdivision (a), all of the following:

12 (i) The state program review and audit requirements that the
13 CMHSP, PIHP, or subcontracting provider agency is considered in
14 compliance with.

15 (ii) The national accrediting entity that reviewed and
16 accredited the CMHSP, PIHP, or subcontracting provider agency.

17 (3) The department shall continue to comply with state and
18 federal law and shall not initiate an action that negatively
19 impacts beneficiary safety.

20 (4) As used in this section, "national accrediting entity"
21 means the Joint Commission, formerly known as the Joint Commission
22 on Accreditation of Healthcare Organizations, the Commission on
23 Accreditation of Rehabilitation Facilities, the Council on
24 Accreditation, the URAC, formerly known as the Utilization Review
25 Accreditation Commission, the National Committee for Quality
26 Assurance, or other appropriate entity, as approved by the
27 department.

1 Sec. 995. From the funds appropriated in part 1 for behavioral
2 health program administration, \$4,350,000.00 is intended to address
3 the recommendations of the mental health diversion council.

4 Sec. 997. The population data used in determining the
5 distribution of substance use disorder block grant funds shall be
6 from the most recent federal census.

7 Sec. 998. For distribution of state general funds to CMHSPs,
8 if the department decides to use census data, the department shall
9 use the most recent federal decennial census data available.

10 Sec. 1003. The department shall notify the Michigan
11 Association of Community Mental Health Boards when developing
12 policies and procedures that will impact PIHPs or CMHSPs.

13 Sec. 1004. The department shall provide the senate and house
14 appropriations subcommittee on the department budget, the senate
15 and house fiscal agencies, and the state budget office any rebased
16 formula changes to either Medicaid behavioral health services or
17 non-Medicaid mental health services 90 days before implementation.
18 The notification shall include a table showing the changes in
19 funding allocation by PIHP for Medicaid behavioral health services
20 or by CMHSP for non-Medicaid mental health services.

21 Sec. 1005. For the purposes of special projects involving
22 high-need children or adults, including the not guilty by reason of
23 insanity population, the department may contract directly with
24 providers of services to these identified populations.

25 Sec. 1007. (1) From the funds appropriated in part 1 for
26 behavioral health program administration, the department shall
27 maintain a psychiatric residential treatment facility and

1 children's behavioral action team. These services will augment the
2 continuum of behavioral health services for high-need youth and
3 provide additional continuity of care and transition into
4 supportive community-based services.

5 (2) Outcomes and performance measures for this initiative
6 include, but are not limited to, the following:

7 (a) The rate of rehospitalization for youth served through the
8 program at 30 and 180 days.

9 (b) Measured change in the Child and Adolescent Functional
10 Assessment Scale for children served through the program.

11 Sec. 1008. The PIHP shall do all of the following:

12 (a) Work to reduce administration costs by ensuring that PIHP
13 responsible functions are efficient to allow optimal transition of
14 dollars to direct services. This process must include limiting
15 duplicate layers of administration and minimizing PIHP-delegated
16 services that may result in higher costs or inconsistent service
17 delivery, or both.

18 (b) Take an active role in managing mental health care by
19 ensuring consistent and high-quality service delivery throughout
20 its network and promote a conflict-free care management
21 environment.

22 (c) Ensure that direct service rate variances are related to
23 the level of need or other quantifiable measures to ensure that the
24 most money possible reaches direct services.

25 (d) Whenever possible, promote fair and adequate direct care
26 reimbursement, including fair wages for direct service workers.

27 Sec. 1009. (1) The department shall work with PIHP network

1 providers to analyze the workforce challenges of recruitment and
2 retention of staff who provide Medicaid-funded community living
3 supports, personal care services, respite services, skill building
4 services, and other similar supports and services. The department
5 workgroup must consider ways to attract and retain staff to provide
6 Medicaid-funded supports and services.

7 (2) The department workgroup must include PIHP providers,
8 CMHSPs, individuals with disabilities, and staff.

9 (3) By March 1 of the current fiscal year, the department
10 shall provide a status report on the workgroup's suggestions to the
11 senate and house appropriations subcommittees on the department
12 budget, the senate and house fiscal agencies, and the state budget
13 director, making note in the report when the participants outlined
14 in subsection (2) reached consensus on the workgroup's suggestions
15 and when the participants outlined in subsection (2) had points of
16 difference on the workgroup's suggestions.

17 Sec. 1010. From the funds appropriated in part 1 for
18 behavioral health program administration, up to \$2,000,000.00 shall
19 be allocated to address the implementation of court-ordered
20 assisted outpatient treatment as provided under chapter 4 of the
21 mental health code, 1974 PA 258, MCL 330.1400 to 330.1491.

22 Sec. 1012. By September 30 of the current fiscal year, the
23 department shall submit a report to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, the senate and house policy offices, and
26 the state budget office addressing the challenge of meeting monthly
27 deductible requirements in the Medicaid program and establish

1 policy recommendations. The report shall include, but not be
2 limited to, all of the following items:

3 (a) The average number of individuals who do not meet their
4 monthly Medicaid deductibles in this state each year.

5 (b) How the reduction in general fund investment to CMHSPs for
6 non-Medicaid services has played a role in the inability of many
7 individuals to meet their spenddown.

8 (c) What currently counts as the protected income level and
9 how that compares to other states.

10 (d) An action plan for implementation of any proposed changes.

11 (e) An estimate of the costs that may be incurred from
12 adoption of recommendations included in the report.

13 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

14 Sec. 1051. The department shall continue a revenue recapture
15 project to generate additional revenues from third parties related
16 to cases that have been closed or are inactive. A portion of
17 revenues collected through project efforts may be used for
18 departmental costs and contractual fees associated with these
19 retroactive collections and to improve ongoing departmental
20 reimbursement management functions.

21 Sec. 1052. The purpose of gifts and bequests for patient
22 living and treatment environments is to use additional private
23 funds to provide specific enhancements for individuals residing at
24 state-operated facilities. Use of the gifts and bequests shall be
25 consistent with the stipulation of the donor. The expected
26 completion date for the use of gifts and bequests donations is

1 within 3 years unless otherwise stipulated by the donor.

2 Sec. 1055. (1) The department shall not implement any closures
3 or consolidations of state hospitals, centers, or agencies until
4 CMHSPs or PIHPs have programs and services in place for those
5 individuals currently in those facilities and a plan for service
6 provision for those individuals who would have been admitted to
7 those facilities.

8 (2) All closures or consolidations are dependent upon adequate
9 department-approved CMHSP and PIHP plans that include a discharge
10 and aftercare plan for each individual currently in the facility. A
11 discharge and aftercare plan shall address the individual's housing
12 needs. A homeless shelter or similar temporary shelter arrangements
13 are inadequate to meet the individual's housing needs.

14 (3) Four months after the certification of closure required in
15 section 19(6) of the state employees' retirement act, 1943 PA 240,
16 MCL 38.19, the department shall provide a closure plan to the house
17 and senate appropriations subcommittees on the department budget
18 and the state budget director.

19 (4) Upon the closure of state-run operations and after
20 transitional costs have been paid, the remaining balances of funds
21 appropriated for that operation shall be transferred to CMHSPs or
22 PIHPs responsible for providing services for individuals previously
23 served by the operations.

24 Sec. 1056. The department may collect revenue for patient
25 reimbursement from first- and third-party payers, including
26 Medicaid and local county CMHSP payers, to cover the cost of
27 placement in state hospitals and centers. The department is

1 authorized to adjust financing sources for patient reimbursement
2 based on actual revenues earned. If the revenue collected exceeds
3 current year expenditures, the revenue may be carried forward with
4 approval of the state budget director. The revenue carried forward
5 shall be used as a first source of funds in the subsequent year.

6 Sec. 1057. The department shall work with the department of
7 technology, management, and budget to evaluate the condition of the
8 Hawthorn Center and the Caro Center, the cost-effectiveness of
9 improvements and investments and make recommendations to improve
10 the quality of the facilities needed by the patients.

11 Sec. 1058. Effective October 1 of the current fiscal year, the
12 department, in consultation with the department of technology,
13 management, and budget, may maintain a bid process to identify 1 or
14 more private contractors to provide food service and custodial
15 services for the administrative areas at any state hospital
16 identified by the department as capable of generating savings
17 through the outsourcing of such services.

18 Sec. 1059. (1) From the increased funds appropriated in part 1
19 in center for forensic psychiatry, the department shall open an
20 additional wing at the center for forensic psychiatry to provide
21 additional capacity for specialized services to criminal defendants
22 who are adjudicated as incompetent to stand trial or not guilty by
23 reason of insanity.

24 (2) The department shall identify specific outcomes and
25 performance measures for this initiative, including, but not
26 limited, to the following:

27 (a) The average wait time for persons ruled incompetent to

1 stand trial before admission to the center for forensic psychiatry.

2 (b) The average wait time for persons ruled incompetent to
3 stand trial before admission to other state-operated psychiatric
4 facilities.

5 (c) The number of persons waiting to receive services at the
6 center for forensic psychiatry.

7 (d) The number of persons waiting to receive services at other
8 state-operated hospitals and centers.

9 **HEALTH POLICY**

10 Sec. 1140. From the funds appropriated in part 1 for primary
11 care services, \$250,000.00 shall be allocated to free health
12 clinics operating in the state. The department shall distribute the
13 funds equally to each free health clinic. For the purpose of this
14 appropriation, "free health clinics" means nonprofit organizations
15 that use volunteer health professionals to provide care to
16 uninsured individuals.

17 Sec. 1142. The department shall continue to seek means to
18 increase retention of Michigan medical school students for
19 completion of their primary care residency requirements within this
20 state and ultimately, for some period of time, to remain in this
21 state and serve as primary care physicians. The department is
22 encouraged to work with Michigan institutions of higher education.

23 Sec. 1143. The department may award health innovation grants
24 to address emerging issues and encourage cutting edge advances in
25 health care including strategic partners in both the public and
26 private sectors.

1 Sec. 1144. (1) From the funds appropriated in part 1 for
2 health policy administration, the department shall allocate the
3 federal state innovation model grant funding that supports
4 implementation of the health delivery system innovations detailed
5 in this state's "Reinventing Michigan's Health Care System:
6 Blueprint for Health Innovation" document. This initiative will
7 test new payment methodologies, support improved population health
8 outcomes, and support improved infrastructure for technology and
9 data sharing and reporting. The funds will be used to provide
10 financial support directly to regions participating in the model
11 test and to support statewide stakeholder guidance and technical
12 support.

13 (2) Outcomes and performance measures for the initiative under
14 subsection (1) include, but are not limited to, the following:

15 (a) Increasing the number of physician practices fulfilling
16 patient-centered medical home functions.

17 (b) Reducing inappropriate health utilization, specifically
18 reducing preventable emergency department visits, reducing the
19 proportion of hospitalizations for ambulatory sensitive conditions,
20 and reducing this state's 30-day hospital readmission rate.

21 (3) By March 1 and September 1 of the current fiscal year, the
22 department shall submit a written report to the house and senate
23 appropriations subcommittees on the department budget, the house
24 and senate fiscal agencies, and the state budget office on the
25 status of the program and progress made since the prior report.

26 (4) From the funds appropriated in part 1 for health policy
27 administration, any data aggregator created as part of the

1 allocation of the federal state innovation model grant funds must
2 meet the following standards:

3 (a) The primary purpose of the data aggregator must be to
4 increase the quality of health care delivered in this state, while
5 reducing costs.

6 (b) The data aggregator must be governed by a nonprofit
7 entity.

8 (c) All decisions regarding the establishment, administration,
9 and modification of the database must be made by an advisory board.
10 The membership of the advisory board must include the director of
11 the department or a designee of the director and representatives of
12 health carriers, consumers, and purchasers.

13 (d) The data aggregator must receive health care claims
14 information from, without limitation, commercial health carriers,
15 nonprofit health care corporations, health maintenance
16 organizations, and third party administrators that process claims
17 under a service contract.

18 (e) The data aggregator must use existing data sources and
19 technological infrastructure, to the extent possible.

20 Sec. 1145. The department will take steps necessary to work
21 with Indian Health Service, Tribal or Urban Indian Health Program
22 facilities that provide services under a contract with a Medicaid
23 managed care entity to ensure that those facilities receive the
24 maximum amount allowable under federal law for Medicaid services.

25 Sec. 1146. From the funds appropriated in part 1 for bone
26 marrow transplant registry, \$250,000.00 shall be allocated to
27 Michigan Blood, the partner of the match registry of the national

1 marrow donor program. The funds shall be used to offset ongoing
2 tissue typing expenses associated with donor recruitment and
3 collection services and to expand those services to better serve
4 the citizens of this state.

5 Sec. 1150. From the funds appropriated in part 1 for health
6 policy administration, the department shall dedicate 1.0 FTE to
7 coordinate with the department of licensing and regulatory affairs,
8 the department of the attorney general, all appropriate law
9 enforcement agencies, and the Medicaid health plans to reduce fraud
10 related to opioid prescribing within Medicaid, and to address other
11 appropriate recommendations of the prescription drug and opioid
12 abuse task force outlined in its report of October 2015. By October
13 1 of the current fiscal year, the department shall submit a report
14 to the senate and house appropriations subcommittees on the
15 department budget, the senate and house fiscal agencies, the senate
16 and house policy offices, and the state budget office on steps the
17 department has taken to coordinate with the entities listed in this
18 section and other stakeholders to reduce fraud related to opioid
19 prescribing, and to address other appropriate recommendations of
20 the task force.

21 Sec. 1151. From the funds appropriated in part 1 for health
22 policy administration, the department shall dedicate 1.0 FTE to
23 coordinate with the department of licensing and regulatory affairs,
24 the department of the attorney general, all appropriate law
25 enforcement agencies, and the Medicaid health plans to work with
26 local substance use disorder agencies and addiction treatment
27 providers to help inform Medicaid beneficiaries of all medically

1 appropriate treatment options for opioid addiction when their
2 treating physician stops prescribing prescription opioid medication
3 for pain, and to address other appropriate recommendations of the
4 prescription drug and opioid abuse task force outlined in its
5 report of October 2015. By October 1 of the current fiscal year,
6 the department shall submit a report to the senate and house
7 appropriations subcommittees on the department budget, the senate
8 and house fiscal agencies, the senate and house policy offices, and
9 the state budget office on how the department is working with local
10 substance use disorder agencies and addiction treatment providers
11 to ensure that Medicaid beneficiaries are informed of all available
12 and medically appropriate treatment options for opioid addiction
13 when their treating physician stops prescribing prescription opioid
14 medication for pain, and to address other appropriate
15 recommendations of the task force. The report shall include any
16 potential barriers to medication-assisted treatment, as recommended
17 by the Michigan medication-assisted treatment guidelines, for
18 Medicaid beneficiaries in both office-based opioid treatment and
19 opioid treatment program facility settings.

20 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

21 Sec. 1180. (1) From the funds appropriated in part 1 for the
22 healthy homes program, no less than \$1,750,000.00 shall be
23 allocated for lead abatement of homes.

24 (2) By January 1 of the current fiscal year, the department
25 shall provide a report to the house and senate appropriations
26 subcommittees on the department budget, the house and senate fiscal

1 agencies, and the state budget office on the expenditures and
2 activities undertaken by the lead abatement program in the previous
3 fiscal year from the funds appropriated in part 1 for the healthy
4 homes program. The report shall include, but is not limited to, a
5 funding allocation schedule, expenditures by category of
6 expenditure and by subcontractor, revenues received, description of
7 program elements, and description of program accomplishments and
8 progress.

9 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

10 Sec. 1220. The amount appropriated in part 1 for
11 implementation of the 1993 additions of or amendments to sections
12 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
13 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
14 333.17015, and 333.17515, shall be used to reimburse local health
15 departments for costs incurred related to implementation of section
16 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

17 Sec. 1221. If a county that has participated in a district
18 health department or an associated arrangement with other local
19 health departments takes action to cease to participate in such an
20 arrangement after October 1 of the current fiscal year, the
21 department shall have the authority to assess a penalty from the
22 local health department's operational accounts in an amount equal
23 to no more than 6.25% of the local health department's essential
24 local public health services funding. This penalty shall only be
25 assessed to the local county that requests the dissolution of the
26 health department.

1 Sec. 1222. (1) Funds appropriated in part 1 for essential
2 local public health services shall be prospectively allocated to
3 local health departments to support immunizations, infectious
4 disease control, sexually transmitted disease control and
5 prevention, hearing screening, vision services, food protection,
6 public water supply, private groundwater supply, and on-site sewage
7 management. Food protection shall be provided in consultation with
8 the department of agriculture and rural development. Public water
9 supply, private groundwater supply, and on-site sewage management
10 shall be provided in consultation with the department of
11 environmental quality.

12 (2) Local public health departments shall be held to
13 contractual standards for the services in subsection (1).

14 (3) Distributions in subsection (1) shall be made only to
15 counties that maintain local spending in the current fiscal year of
16 at least the amount expended in fiscal year 1992-1993 for the
17 services described in subsection (1).

18 (4) By December 1 of the current fiscal year, the department
19 shall provide a report to the house and senate appropriations
20 subcommittees on the department budget, the house and senate fiscal
21 agencies, and the state budget director on the planned allocation
22 of the funds appropriated for essential local public health
23 services.

24 Sec. 1223. (1) From the funds appropriated in part 1 for
25 dental programs, \$150,000.00 shall be allocated to the Michigan
26 Dental Association for the administration of a volunteer dental
27 program that provides dental services to the uninsured.

1 (2) Not later than December 1 of the current fiscal year, the
2 department shall report to the senate and house appropriations
3 subcommittees on the department budget, the senate and house
4 standing committees on health policy, the senate and house fiscal
5 agencies, and the state budget office the number of individual
6 patients treated, number of procedures performed, and approximate
7 total market value of those procedures from the immediately
8 preceding fiscal year.

9 Sec. 1224. The department shall use revenue from mobile
10 dentistry facility permit fees received under section 21605 of the
11 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
12 of the permit program.

13 Sec. 1225. The department shall work with the Michigan health
14 endowment fund corporation established under section 653 of the
15 nonprofit health care corporation reform act, 1980 PA 350, MCL
16 550.1653, to explore ways to fund and evaluate current and future
17 policies and programs. It is the intent of the legislature that, by
18 March 1 of the current fiscal year, the senate and house
19 appropriations subcommittees on the department budget shall hold a
20 joint hearing for the purpose of a presentation by the Michigan
21 health endowment fund corporation and the department, detailing the
22 steps taken to work together, and to report on initiatives
23 supported by the Michigan health endowment fund.

24 Sec. 1226. From the funds appropriated in part 1 for health
25 and wellness initiatives, \$1,000,000.00 shall be allocated for a
26 school children's healthy exercise program to promote and advance
27 physical health for school children in kindergarten through grade

1 8. The department shall recommend model programs for sites to
2 implement that incorporate evidence-based best practices. The
3 department shall grant no less than 1/2 of the funds appropriated
4 in part 1 for before- and after-school programs. The department
5 shall establish guidelines for program sites, which may include
6 schools, community-based organizations, private facilities,
7 recreation centers, or other similar sites. The program format
8 shall encourage local determination of site activities and shall
9 encourage local inclusion of youth in the decision-making regarding
10 site activities. Program goals shall include children experiencing
11 improved physical health and access to physical activity
12 opportunities, the reduction of obesity, providing a safe place to
13 play and exercise, and nutrition education. To be eligible to
14 participate, program sites shall provide a 20% match to the state
15 funding, which may be provided in full, or in part, by a
16 corporation, foundation, or private partner. The department shall
17 seek financial support from corporate, foundation, or other private
18 partners for the program or for individual program sites.

19 Sec. 1227. The department shall establish criteria for all
20 funds allocated under part 1 for health and wellness initiatives.
21 The criteria must include a requirement that all programs funded be
22 evidence-based and supported by research, include interventions
23 that have been shown to demonstrate outcomes that lower cost and
24 improve quality, and be designed for statewide impact. Preference
25 must be given to programs that utilize the funding as match for
26 additional resources including, but not limited to, federal
27 sources.

1 Sec. 1228. Upon request, the department, in conjunction with
2 the vendor, shall evaluate and analyze the costs and benefits of
3 the traumatic brain injury pilot project as funded in article IV of
4 2014 PA 252.

5 Sec. 1229. (1) From the funds appropriated in part 1 for
6 dental programs, \$1,550,000.00 shall be distributed to local health
7 departments who partner with a qualified nonprofit provider of
8 dental services for the purpose of providing high-quality dental
9 homes for seniors, children, and adults enrolled in Medicaid, and
10 low-income uninsured.

11 (2) In order to be considered a qualified nonprofit provider
12 of dental services, the provider must demonstrate an effective
13 health insurance enrollment process for uninsured patients and
14 demonstrate to the department an effective process of charging
15 patients on a sliding scale based on the patient's ability to pay.

16 (3) Outcomes and performance measures for the program under
17 this section include, but are not limited to, the following:

18 (a) The number of uninsured patients who visited a
19 participating dentist over the prior year, broken down between
20 adults and children.

21 (b) The number of patients assisted with health insurance
22 enrollment, broken down between adults and children.

23 (c) A 5-year trend of the number of uninsured patients being
24 served, broken down between adults and children.

25 **FAMILY, MATERNAL, AND CHILD HEALTH**

26 Sec. 1300. The department shall monitor estimated public funds

1 administered by the department for family planning, sexually
2 transmitted infection prevention and treatment, and pregnancies and
3 births, as well as demographics collected by the department as
4 voluntarily self-reported by individuals utilizing those services.
5 The department shall monitor the actual expenditures by marital
6 status or, where actual expenditures are not available, shall
7 monitor estimated expenditures by marital status. The department
8 may utilize the DCH-1426 application for health coverage and help
9 paying costs or any other official application for public
10 assistance for medical coverage to determine the actual or
11 estimated public expenditures based on marital status. The
12 department shall provide this information upon request of the
13 legislature.

14 Sec. 1301. (1) Before April 1 of the current fiscal year, the
15 department shall submit a report to the house and senate fiscal
16 agencies and the state budget director on planned allocations from
17 the amounts appropriated in part 1 for local MCH services, prenatal
18 care outreach and service delivery support, family planning local
19 agreements, and pregnancy prevention programs. Using applicable
20 federal definitions, the report shall include information on all of
21 the following:

22 (a) Funding allocations.

23 (b) Actual number of women, children, and adolescents served
24 and amounts expended for each group for the immediately preceding
25 fiscal year.

26 (c) A breakdown of the expenditure of these funds between
27 urban and rural communities.

1 (2) The department shall ensure that the distribution of funds
2 through the programs described in subsection (1) takes into account
3 the needs of rural communities.

4 (3) For the purposes of this section, "rural" means a county,
5 city, village, or township with a population of 30,000 or less,
6 including those entities if located within a metropolitan
7 statistical area.

8 Sec. 1302. Each family planning program receiving federal
9 title X family planning funds under 42 USC 300 to 300a-8 shall be
10 in compliance with all performance and quality assurance indicators
11 that the office of population affairs within the United States
12 Department of Health and Human Services specifies in the program
13 guidelines for project grants for family planning services. An
14 agency not in compliance with the indicators shall not receive
15 supplemental or reallocated funds.

16 Sec. 1303. The department shall not contract with an
17 organization that provides elective abortions, abortion counseling,
18 or abortion referrals, for services that are to be funded with
19 state restricted or state general fund/general purpose funds
20 appropriated in part 1 for family planning local agreements. An
21 organization under contract with the department shall not
22 subcontract with an organization that provides elective abortions,
23 abortion counseling, or abortion referrals, for services that are
24 to be funded with state restricted or state general fund/general
25 purpose funds appropriated in part 1 for family planning local
26 agreements.

27 Sec. 1304. The department shall not use state restricted funds

1 or state general funds appropriated in part 1 in the pregnancy
2 prevention program or family planning local agreements
3 appropriation line items for abortion counseling, referrals, or
4 services.

5 Sec. 1307. From the funds appropriated in part 1 for prenatal
6 care outreach and service delivery support, \$400,000.00 of TANF
7 revenue shall be allocated for a pregnancy and parenting support
8 services program, which program must promote childbirth,
9 alternatives to abortion, and grief counseling. The department
10 shall establish a program with a qualified contractor that will
11 contract with qualified service providers to provide free
12 counseling, support, and referral services to eligible women during
13 pregnancy through 12 months after birth. As appropriate, the goals
14 for client outcomes shall include an increase in client support, an
15 increase in childbirth choice, an increase in adoption knowledge,
16 an improvement in parenting skills, and improved reproductive
17 health through abstinence education. The contractor of the program
18 shall provide for program training, client educational material,
19 program marketing, and annual service provider site monitoring. The
20 department shall submit a report to the house and senate
21 appropriations subcommittees on the department budget and the house
22 and senate fiscal agencies by April 1 of the current fiscal year on
23 the number of clients served.

24 Sec. 1308. From the funds appropriated in part 1 for prenatal
25 care outreach and service delivery support, not less than
26 \$500,000.00 of funding shall be allocated for evidence-based
27 programs to reduce infant mortality including nurse family

1 partnership programs. The funds shall be used for enhanced support
2 and education to nursing teams or other teams of qualified health
3 professionals, client recruitment in areas designated as
4 underserved for obstetrical and gynecological services and other
5 high-need communities, strategic planning to expand and sustain
6 programs, and marketing and communications of programs to raise
7 awareness, engage stakeholders, and recruit nurses.

8 Sec. 1309. The department shall allocate funds appropriated in
9 section 117 of part 1 for family, maternal, and child health
10 according to section 1 of 2002 PA 360, MCL 333.1091.

11 Sec. 1310. The department shall continue to work jointly with
12 the Michigan state housing development authority and the joint task
13 force established under article IV of 2014 PA 252 to review housing
14 rehabilitation, energy and weatherization, and hazard abatement
15 program policies and to make recommendations for integrating and
16 coordinating project delivery with the goals of serving more
17 families and achieving better outcomes by maximizing state and
18 federal resources. The joint task force may provide recommendations
19 to the department. Recommendations of the joint task force must
20 give consideration to best practices and cost effectiveness.

21 Sec. 1311. From the funds appropriated in part 1 for prenatal
22 care outreach and service delivery support, equal consideration
23 shall be given to all eligible evidence-based providers in all
24 regions in contracting for rural home visitation services.

25 Sec. 1313. (1) The department shall continue developing an
26 outreach program on fetal alcohol syndrome services, targeting
27 health promotion, prevention, and intervention as described in the

1 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

2 (2) The department shall explore federal grant funding to
3 address prevention services for fetal alcohol syndrome and reduce
4 alcohol consumption among pregnant women.

5 Sec. 1340. The department shall include national brand peanut
6 butter on the list of approved women, infants, and children special
7 supplemental nutrition program basket items.

8 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

9 Sec. 1360. The department may do 1 or more of the following:

10 (a) Provide special formula for eligible clients with
11 specified metabolic and allergic disorders.

12 (b) Provide medical care and treatment to eligible patients
13 with cystic fibrosis who are 21 years of age or older.

14 (c) Provide medical care and treatment to eligible patients
15 with hereditary coagulation defects, commonly known as hemophilia,
16 who are 21 years of age or older.

17 (d) Provide human growth hormone to eligible patients.

18 Sec. 1361. From the funds appropriated in part 1 for medical
19 care and treatment, the department is authorized to spend those
20 funds for the continued development and expansion of telemedicine
21 capacity to allow families with children in the children's special
22 health care services program to access specialty providers more
23 readily and in a more timely manner.

24 **AGING AND ADULT SERVICES AGENCY**

25 Sec. 1402. The department may encourage the Food Bank Council

1 of Michigan to collaborate directly with each area agency on aging
2 and any other organizations that provide senior nutrition services
3 to secure the food access of vulnerable seniors.

4 Sec. 1403. (1) By February 1 of the current fiscal year, the
5 aging and adult services agency shall require each region to report
6 to the aging and adult services agency and to the legislature home-
7 delivered meals waiting lists based upon standard criteria.

8 Determining criteria shall include all of the following:

9 (a) The recipient's degree of frailty.

10 (b) The recipient's inability to prepare his or her own meals
11 safely.

12 (c) Whether the recipient has another care provider available.

13 (d) Any other qualifications normally necessary for the
14 recipient to receive home-delivered meals.

15 (2) Data required in subsection (1) shall be recorded only for
16 individuals who have applied for participation in the home-
17 delivered meals program and who are initially determined as likely
18 to be eligible for home-delivered meals.

19 Sec. 1417. The department shall provide to the senate and
20 house appropriations subcommittees on the department budget, senate
21 and house fiscal agencies, and state budget director a report by
22 March 30 of the current fiscal year that contains all of the
23 following:

24 (a) The total allocation of state resources made to each area
25 agency on aging by individual program and administration.

26 (b) Detail expenditure by each area agency on aging by
27 individual program and administration including both state-funded

1 resources and locally-funded resources.

2 Sec. 1421. From the funds appropriated in part 1 for community
3 services, \$1,100,000.00 shall be allocated to area agencies on
4 aging for locally determined needs.

5 Sec. 1422. (1) From the funds appropriated in part 1 for aging
6 and adult services administration, not less than \$300,000.00 shall
7 be allocated for the department to contract with the Prosecuting
8 Attorneys Association of Michigan to provide the support and
9 services necessary to increase the capability of the state's
10 prosecutors, adult protective service system, and criminal justice
11 system to effectively identify, investigate, and prosecute elder
12 abuse and financial exploitation.

13 (2) By March 1 of the current fiscal year, the Prosecuting
14 Attorneys Association of Michigan shall provide a report on the
15 efficacy of the contract to the state budget office, the house and
16 senate appropriations subcommittees on the department budget, the
17 house and senate fiscal agencies, and the house and senate policy
18 offices.

19 Sec. 1424. From the funds appropriated in part 1 for community
20 services, \$150,000.00 is appropriated for Alzheimer's disease
21 services and shall be remitted to the Alzheimer's association-
22 Michigan chapters for the purpose of carrying out a pilot project
23 in Macomb, Monroe, and St. Joseph Counties. The fiduciary for the
24 funds is the Alzheimer's association-greater Michigan chapter. The
25 Alzheimer's association shall provide enhanced services, including
26 24/7 helpline, continued care consultation, and support groups, to
27 individuals with Alzheimer's disease or dementia and their families

1 in the 3 counties, and partner with a Michigan public university to
2 study whether provision of such in-home support services
3 significantly delays the need for residential long-term care
4 services for individuals with Alzheimer's disease or dementia. The
5 study must also consider potential cost savings related to the
6 delay of long-term care services, if a delay is shown.

7 Sec. 1425. The department shall coordinate with the department
8 of licensing and regulatory affairs to ensure that, upon receipt of
9 the order of suspension of a licensed adult foster care home, home
10 for the aged, or nursing home, the department of licensing and
11 regulatory affairs shall provide notice to the department and to
12 the house and senate appropriations subcommittees on the department
13 budget.

14 **MEDICAL SERVICES ADMINISTRATION**

15 Sec. 1501. The unexpended funds appropriated in part 1 for the
16 electronic health records incentive program are considered work
17 project appropriations, and any unencumbered or unallotted funds
18 are carried forward into the following fiscal year. The following
19 is in compliance with section 451a(1) of the management and budget
20 act, 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the project to be carried forward is to
22 implement the Medicaid electronic health record program that
23 provides financial incentive payments to Medicaid health care
24 providers to encourage the adoption and meaningful use of
25 electronic health records to improve quality, increase efficiency,
26 and promote safety.

1 (b) The projects will be accomplished according to the
2 approved federal advanced planning document.

3 (c) The estimated cost of this project phase is identified in
4 the appropriation line item.

5 (d) The tentative completion date for the work project is
6 September 30, 2021.

7 Sec. 1502. The department shall spend available work project
8 revenue and any associated federal match to create and develop a
9 transparency database website. This funding is contingent upon
10 enactment of enabling legislation.

11 Sec. 1503. From the funds appropriated in part 1 for Healthy
12 Michigan plan administration, the department shall maintain an
13 accounting structure within the Michigan administrative information
14 network that will allow expenditures associated with the
15 administration of the Healthy Michigan plan to be identified.

16 Sec. 1505. By March 1 and September 1 of the current fiscal
17 year, the department shall submit a report to the senate and house
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, and the state budget office including
20 both of the following:

21 (a) The department's projected annual increase in
22 reimbursement savings and cost offsets that will result from the
23 funds appropriated in part 1 for the office of inspector general
24 and third party liability efforts.

25 (b) The actual increase in reimbursement savings and cost
26 offsets that have resulted from the funds appropriated in part 1
27 for the office of inspector general and third party liability

1 efforts.

2 Sec. 1506. The department shall submit to the senate and house
3 appropriations subcommittees on the department budget, the senate
4 and house fiscal agencies, the senate and house policy offices, and
5 the state budget office a quarterly report on the implementation
6 status of the public assistance call center that includes all of
7 the following information:

8 (a) Call volume during the prior quarter.

9 (b) Percentage of calls resolved through the public assistance
10 call center.

11 (c) Percentage of calls transferred to a local department
12 office or other office for resolution.

13 (d) Number of Medicaid applications completed by the public
14 assistance call center staff and submitted on behalf of clients.

15 Sec. 1507. (1) From the funds appropriated in part 1 for
16 technology supporting integrated service delivery, the department
17 shall establish new information technology tools and enhance
18 existing systems to improve the eligibility and enrollment process
19 for citizens accessing department administered programs. This
20 information technology system will consolidate beneficiary
21 information, support department caseworker efforts in building a
22 success plan for beneficiaries, and better support department staff
23 in supporting enrollees in assistance programs.

24 (2) Outcomes and performance measures for the initiative under
25 subsection (1) include, but are not limited to, the following:

26 (a) Successful consolidation of data warehouses maintained by
27 the department.

1 (b) The amount of time a department caseworker devotes to data
2 entry when initiating an enrollee application.

3 (c) A reduction in wait times for persons enrolled in
4 assistance programs to speak with department staff and get
5 necessary changes made.

6 (d) A reduction in department caseworker workload.

7 **MEDICAL SERVICES**

8 Sec. 1601. The cost of remedial services incurred by residents
9 of licensed adult foster care homes and licensed homes for the aged
10 shall be used in determining financial eligibility for the
11 medically needy. Remedial services include basic self-care and
12 rehabilitation training for a resident.

13 Sec. 1603. (1) The department may establish a program for
14 individuals to purchase medical coverage at a rate determined by
15 the department.

16 (2) The department may receive and expend premiums for the
17 buy-in of medical coverage in addition to the amounts appropriated
18 in part 1.

19 (3) The premiums described in this section shall be classified
20 as private funds.

21 Sec. 1605. The protected income level for Medicaid coverage
22 determined pursuant to section 106(1)(b)(iii) of the social welfare
23 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
24 assistance standard.

25 Sec. 1606. For the purpose of guardian and conservator
26 charges, the department may deduct up to \$83.00 per month as an

1 allowable expense against a recipient's income when determining
2 medical services eligibility and patient pay amounts.

3 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
4 condition is pregnancy, shall immediately be presumed to be
5 eligible for Medicaid coverage unless the preponderance of evidence
6 in her application indicates otherwise. The applicant who is
7 qualified as described in this subsection shall be allowed to
8 select or remain with the Medicaid participating obstetrician of
9 her choice.

10 (2) An applicant qualified as described in subsection (1)
11 shall be given a letter of authorization to receive Medicaid
12 covered services related to her pregnancy. All qualifying
13 applicants shall be entitled to receive all medically necessary
14 obstetrical and prenatal care without preauthorization from a
15 health plan. All claims submitted for payment for obstetrical and
16 prenatal care shall be paid at the Medicaid fee-for-service rate in
17 the event a contract does not exist between the Medicaid
18 participating obstetrical or prenatal care provider and the managed
19 care plan. The applicant shall receive a listing of Medicaid
20 physicians and managed care plans in the immediate vicinity of the
21 applicant's residence.

22 (3) In the event that an applicant, presumed to be eligible
23 pursuant to subsection (1), is subsequently found to be ineligible,
24 a Medicaid physician or managed care plan that has been providing
25 pregnancy services to an applicant under this section is entitled
26 to reimbursement for those services until such time as they are
27 notified by the department that the applicant was found to be

1 ineligible for Medicaid.

2 (4) If the preponderance of evidence in an application
3 indicates that the applicant is not eligible for Medicaid, the
4 department shall refer that applicant to the nearest public health
5 clinic or similar entity as a potential source for receiving
6 pregnancy-related services.

7 (5) The department shall develop an enrollment process for
8 pregnant women covered under this section that facilitates the
9 selection of a managed care plan at the time of application.

10 (6) The department shall mandate enrollment of women, whose
11 qualifying condition is pregnancy, into Medicaid managed care
12 plans.

13 (7) The department shall encourage physicians to provide
14 women, whose qualifying condition for Medicaid is pregnancy, with a
15 referral to a Medicaid participating dentist at the first
16 pregnancy-related appointment.

17 Sec. 1611. (1) For care provided to medical services
18 recipients with other third-party sources of payment, medical
19 services reimbursement shall not exceed, in combination with such
20 other resources, including Medicare, those amounts established for
21 medical services-only patients. The medical services payment rate
22 shall be accepted as payment in full. Other than an approved
23 medical services co-payment, no portion of a provider's charge
24 shall be billed to the recipient or any person acting on behalf of
25 the recipient. Nothing in this section shall be considered to
26 affect the level of payment from a third-party source other than
27 the medical services program. The department shall require a

1 nonenrolled provider to accept medical services payments as payment
2 in full.

3 (2) Notwithstanding subsection (1), medical services
4 reimbursement for hospital services provided to dual
5 Medicare/medical services recipients with Medicare part B coverage
6 only shall equal, when combined with payments for Medicare and
7 other third-party resources, if any, those amounts established for
8 medical services-only patients, including capital payments.

9 Sec. 1620. (1) According to the federal covered outpatient
10 drug final rule with comment (CMS-2345-FC), the department shall
11 establish a professional pharmaceutical dispensing fee for pharmacy
12 benefits that are reimbursed on a fee-for-service basis. In
13 establishing this fee, the department shall comply with federal law
14 while taking into consideration the state's long-term financial
15 exposure and Medicaid beneficiaries' access to care. The
16 established fee shall not be lower than the amount in effect on
17 October 1, 2015.

18 (2) The department shall require a prescription co-payment for
19 Medicaid recipients not enrolled in the Healthy Michigan plan or
20 with an income less than 100% of the federal poverty level of \$1.00
21 for a generic drug and \$3.00 for a brand-name drug, except as
22 prohibited by federal or state law or regulation.

23 (3) The department shall require a prescription co-payment for
24 Medicaid recipients enrolled in the Healthy Michigan plan with an
25 income of at least 100% of the federal poverty level of \$4.00 for a
26 generic drug and \$8.00 for a brand-name drug, except as prohibited
27 by federal or state law or regulation.

1 Sec. 1629. The department shall utilize maximum allowable cost
2 pricing for generic drugs that is based on wholesaler pricing to
3 providers that is available from at least 2 wholesalers who deliver
4 in this state.

5 Sec. 1631. (1) The department shall require co-payments on
6 dental, podiatric, and vision services provided to Medicaid
7 recipients, except as prohibited by federal or state law or
8 regulation.

9 (2) Except as otherwise prohibited by federal or state law or
10 regulation, the department shall require Medicaid recipients not
11 enrolled in the Healthy Michigan plan or with an income less than
12 100% of the federal poverty level to pay not less than the
13 following co-payments:

14 (a) Two dollars for a physician office visit.

15 (b) Three dollars for a hospital emergency room visit.

16 (c) Fifty dollars for the first day of an inpatient hospital
17 stay.

18 (d) One dollar for an outpatient hospital visit.

19 (3) Except as otherwise prohibited by federal or state law or
20 regulation, the department shall require Medicaid recipients
21 enrolled in the Healthy Michigan plan with an income of at least
22 100% of the federal poverty level to pay the following co-payments:

23 (a) Four dollars for a physician office visit.

24 (b) Eight dollars for a hospital emergency room visit.

25 (c) One hundred dollars for the first day of an inpatient
26 hospital stay.

27 (d) Four dollars for an outpatient hospital visit or any other

1 medical provider visit to the extent allowed by federal or state
2 law or regulation.

3 Sec. 1641. An institutional provider that is required to
4 submit a cost report under the medical services program shall
5 submit cost reports completed in full within 5 months after the end
6 of its fiscal year.

7 Sec. 1645. The department shall consider using the most recent
8 3 years of actual days of care provided, as reported in the annual
9 cost reports, for the purpose of establishing the nursing facility
10 quality assurance assessment fee. For any year in which the
11 estimated days of care compared to the actual days of care provided
12 by each nursing home and hospital long-term care unit creates an
13 aggregate overpayment of \$1,000,000.00 or more as a result of the
14 nursing facility quality assurance assessment fee, the department
15 shall report the excess assessed amount to the senate and house
16 appropriation subcommittees on the department budget, the senate
17 and house fiscal agencies, and the state budget office. By April 1
18 of the current fiscal year, the department shall report on
19 feasibility of creating a more accurate formula for next year's
20 assessment and a recommendation if a refund can or cannot be made
21 to the senate and house appropriation subcommittees on the
22 department budget, the senate and house fiscal agencies, and the
23 state budget office.

24 Sec. 1657. (1) Reimbursement for medical services to screen
25 and stabilize a Medicaid recipient, including stabilization of a
26 psychiatric crisis, in a hospital emergency room shall not be made
27 contingent on obtaining prior authorization from the recipient's

1 HMO. If the recipient is discharged from the emergency room, the
2 hospital shall notify the recipient's HMO within 24 hours of the
3 diagnosis and treatment received.

4 (2) If the treating hospital determines that the recipient
5 will require further medical service or hospitalization beyond the
6 point of stabilization, that hospital shall receive authorization
7 from the recipient's HMO prior to admitting the recipient.

8 (3) Subsections (1) and (2) do not require an alteration to an
9 existing agreement between an HMO and its contracting hospitals and
10 do not require an HMO to reimburse for services that are not
11 considered to be medically necessary.

12 Sec. 1659. The following sections of this part are the only
13 ones that shall apply to the following Medicaid managed care
14 programs, including the comprehensive plan, MIChoice long-term care
15 plan, and the mental health, substance use disorder, and
16 developmentally disabled services program: 904, 911, 918, 920, 928,
17 942, 994, 1008, 1607, 1657, 1662, 1699, 1700, 1702, 1704, 1764,
18 1806, 1809, 1810, 1820, 1850, 1875, 1882, and 1888.

19 Sec. 1662. (1) The department shall ensure that an external
20 quality review of each contracting HMO is performed that results in
21 an analysis and evaluation of aggregated information on quality,
22 timeliness, and access to health care services that the HMO or its
23 contractors furnish to Medicaid beneficiaries.

24 (2) The department shall require Medicaid HMOs to provide
25 EPSDT utilization data through the encounter data system, and HEDIS
26 well child health measures in accordance with the National
27 Committee for Quality Assurance prescribed methodology.

1 (3) The department shall provide a copy of the analysis of the
2 Medicaid HMO annual audited HEDIS reports and the annual external
3 quality review report to the senate and house of representatives
4 appropriations subcommittees on the department budget, the senate
5 and house fiscal agencies, and the state budget director, within 30
6 days of the department's receipt of the final reports from the
7 contractors.

8 Sec. 1670. (1) The appropriation in part 1 for the MICHild
9 program is to be used to provide comprehensive health care to all
10 children under age 19 who reside in families with income at or
11 below 212% of the federal poverty level, who are uninsured and have
12 not had coverage by other comprehensive health insurance within 6
13 months of making application for MICHild benefits, and who are
14 residents of this state. The department shall develop detailed
15 eligibility criteria through the medical services administration
16 public concurrence process, consistent with the provisions of this
17 part and part 1.

18 (2) The department may provide up to 1 year of continuous
19 eligibility to children eligible for the MICHild program unless the
20 family fails to pay the monthly premium, a child reaches age 19, or
21 the status of the children's family changes and its members no
22 longer meet the eligibility criteria as specified in the state
23 plan.

24 (3) To be eligible for the MICHild program, a child must be
25 residing in a family with an adjusted gross income of less than or
26 equal to 212% of the federal poverty level. The department's
27 verification policy shall be used to determine eligibility.

1 (4) The department may make payments on behalf of children
2 enrolled in the MICHild program as described in the MICHild state
3 plan approved by the United States Department of Health and Human
4 Services, or from other medical services.

5 Sec. 1673. The department may establish premiums for MICHild
6 eligible individuals in families with income at or below 212% of
7 the federal poverty level. The monthly premiums shall be \$10.00 per
8 month.

9 Sec. 1677. The MICHild program shall provide, at a minimum,
10 all benefits available under the Michigan benchmark plan that are
11 delivered through contracted providers and consistent with federal
12 law, including, but not limited to, the following medically
13 necessary services:

14 (a) Inpatient mental health services, other than substance use
15 disorder treatment services, including services furnished in a
16 state-operated mental hospital and residential or other 24-hour
17 therapeutically planned structured services.

18 (b) Outpatient mental health services, other than substance
19 use disorder services, including services furnished in a state-
20 operated mental hospital and community-based services.

21 (c) Durable medical equipment and prosthetic and orthotic
22 devices.

23 (d) Dental services as outlined in the approved MICHild state
24 plan.

25 (e) Substance use disorder treatment services that may include
26 inpatient, outpatient, and residential substance use disorder
27 treatment services.

1 (f) Care management services for mental health diagnoses.

2 (g) Physical therapy, occupational therapy, and services for
3 individuals with speech, hearing, and language disorders.

4 (h) Emergency ambulance services.

5 Sec. 1682. (1) In addition to the appropriations in part 1,
6 the department is authorized to receive and spend penalty money
7 received as the result of noncompliance with medical services
8 certification regulations. Penalty money, characterized as private
9 funds, received by the department shall increase authorizations and
10 allotments in the long-term care accounts.

11 (2) Any unexpended penalty money, at the end of the year,
12 shall carry forward to the following year.

13 Sec. 1692. (1) The department is authorized to pursue
14 reimbursement for eligible services provided in Michigan schools
15 from the federal Medicaid program. The department and the state
16 budget director are authorized to negotiate and enter into
17 agreements, together with the department of education, with local
18 and intermediate school districts regarding the sharing of federal
19 Medicaid services funds received for these services. The department
20 is authorized to receive and disburse funds to participating school
21 districts pursuant to such agreements and state and federal law.

22 (2) From the funds appropriated in part 1 for medical services
23 school-based services payments, the department is authorized to do
24 all of the following:

25 (a) Finance activities within the medical services
26 administration related to this project.

27 (b) Reimburse participating school districts pursuant to the

1 fund-sharing ratios negotiated in the state-local agreements
2 authorized in subsection (1).

3 (c) Offset general fund costs associated with the medical
4 services program.

5 Sec. 1693. The special Medicaid reimbursement appropriation in
6 part 1 may be increased if the department submits a medical
7 services state plan amendment pertaining to this line item at a
8 level higher than the appropriation. The department is authorized
9 to appropriately adjust financing sources in accordance with the
10 increased appropriation.

11 Sec. 1694. From the funds appropriated in part 1 for special
12 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
13 revenue and any associated federal match shall be distributed for
14 poison control services to an academic health care system that
15 includes a children's hospital that has a high indigent care
16 volume.

17 Sec. 1699. (1) The department may make separate payments in
18 the amount of \$45,000,000.00 directly to qualifying hospitals
19 serving a disproportionate share of indigent patients and to
20 hospitals providing GME training programs. If direct payment for
21 GME and DSH is made to qualifying hospitals for services to
22 Medicaid recipients, hospitals shall not include GME costs or DSH
23 payments in their contracts with HMOs.

24 (2) The department shall allocate \$45,000,000.00 in DSH
25 funding using the distribution methodology used in fiscal year
26 2003-2004.

27 Sec. 1700. (1) By December 1 of the current fiscal year, the

1 department shall report to the senate and house appropriations
2 subcommittees on the department budget, the senate and house fiscal
3 agencies, and the state budget office on the distribution of
4 funding provided, and the net benefit if the special hospital
5 payment is not financed with general fund/general purpose revenue,
6 to each eligible hospital during the previous fiscal year from the
7 following special hospital payments:

8 (a) DSH, separated out by unique DSH pool.

9 (b) GME.

10 (c) Special rural hospital payments provided under section
11 1866.

12 (d) Lump-sum payments to rural hospitals for obstetrical care
13 provided under section 1802.

14 (2) By May 1 of the current fiscal year, the department shall
15 report to the senate and house appropriations subcommittees on the
16 department budget, the senate and house fiscal agencies, and the
17 state budget office on the projected distribution of funding, and
18 the projected net benefit if the special hospital payment is not
19 financed with general fund/general purpose revenue, to each
20 eligible hospital from the following special hospital payments:

21 (a) DSH, separated out by unique DSH pool.

22 (b) GME.

23 (c) Special rural hospital payments provided under section
24 1866.

25 (d) Lump-sum payments to rural hospitals for obstetrical care
26 provided under section 1802.

27 Sec. 1701. The department shall consider implementing a direct

1 primary care pilot program for Medicaid enrollees. Each Medicaid
2 enrollee who participates in the pilot program shall be enrolled in
3 a direct primary care provider plan that is under contract with 1
4 or more Medicaid managed care health plans. Outcomes and
5 performance measures for the direct primary care pilot program
6 include, but are not limited to, the following:

7 (a) The number of enrollees in the pilot program by Medicaid
8 eligibility category.

9 (b) Direct primary care cost per enrollee.

10 (c) Other Medicaid managed care cost savings generated from
11 direct primary care.

12 Sec. 1702. From the funds appropriated in part 1, the
13 department shall provide a 15% rate increase for private duty
14 nursing services for Medicaid beneficiaries under the age of 21.
15 These additional funds must be used to attract and retain highly
16 qualified registered nurses and licensed practical nurses to
17 provide private duty nursing services so that medically frail
18 children can be cared for in the most homelike setting possible.

19 Sec. 1704. (1) From the funds appropriated in part 1 for
20 dental services, the department shall allocate \$2,726,000.00 to
21 support the enhancement of the Medicaid adult dental benefit for
22 pregnant women enrolled in a Medicaid program.

23 (2) Outcomes and performance measures for the program change
24 under this section include, but are not limited to, the following:

25 (a) The number of pregnant women enrolled in Medicaid who
26 visited a dentist over the prior year.

27 (b) The number of dentists statewide who participate in

1 providing dental services to pregnant women enrolled in Medicaid.

2 Sec. 1705. By March 1 of the current fiscal year, the
3 department shall provide to the senate and house appropriation
4 subcommittees on the department budget, the senate and house fiscal
5 agencies, and the state budget office a report to evaluate the
6 various reimbursement rates provided to ambulatory surgical
7 centers, to explain why any differences in reimbursement rates
8 exist, and to recommend any changes to the reimbursement rates.

9 Sec. 1724. The department shall allow licensed pharmacies to
10 purchase injectable drugs for the treatment of respiratory
11 syncytial virus for shipment to physicians' offices to be
12 administered to specific patients. If the affected patients are
13 Medicaid eligible, the department shall reimburse pharmacies for
14 the dispensing of the injectable drugs and reimburse physicians for
15 the administration of the injectable drugs.

16 Sec. 1730. (1) The department shall work with the department
17 of education to evaluate the feasibility of including an assessment
18 tool to promote literacy development of pregnant women and new
19 mothers in the maternal infant health program.

20 (2) By March 1 of the current fiscal year, the department
21 shall provide a report to the house and senate appropriations
22 subcommittees on the department budget, the house and senate fiscal
23 agencies, and the state budget office on the findings of the
24 feasibility study on including an assessment tool to promote
25 literacy development of pregnant women and new mothers in the
26 maternal infant health program.

27 Sec. 1757. The department shall obtain proof from all Medicaid

1 recipients that they are legal United States citizens or otherwise
2 legally residing in this country and that they are residents of
3 this state before approving Medicaid eligibility.

4 Sec. 1764. The department shall annually certify whether rates
5 paid to Medicaid health plans and specialty PIHPs are actuarially
6 sound in accordance with federal requirements and shall provide a
7 copy of the rate certification and approval of rates paid to
8 Medicaid health plans and specialty PIHPs within 5 business days
9 after certification or approval to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, and the state budget office. When
12 calculating the annual actuarial soundness adjustment, the
13 department shall take into account all Medicaid policy bulletins
14 affecting Medicaid health plans or specialty PIHPs issued after the
15 most recent actuarial soundness process concluded.

16 Sec. 1775. (1) By March 1 and September 1 of the current
17 fiscal year, the department shall report to the senate and house
18 appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, and the state budget office on progress
20 in implementing the waiver to implement managed care for
21 individuals who are eligible for both Medicare and Medicaid, known
22 as MI Health Link, including, but not limited to, a description of
23 how the department intends to ensure that service delivery is
24 integrated, how key components of the proposal are implemented
25 effectively, and any problems and potential solutions as identified
26 by the ombudsman described in subsection (2).

27 (2) The department shall ensure the existence of an ombudsman

1 program that is not associated with any project service manager or
2 provider to assist MI Health Link beneficiaries with navigating
3 complaint and dispute resolution mechanisms and to identify
4 problems in the demonstrations and in the complaint and dispute
5 resolution mechanisms.

6 Sec. 1782. Subject to federal approval, from the funds
7 appropriated in part 1 for health plan services, the department
8 shall allocate \$500,000.00 general fund/general purpose plus any
9 available work project funds and federal match to the Medicaid
10 health plans through a capitation rate increase for children. This
11 rate increase shall be used to support a statewide media campaign
12 for improving this state's immunization rates.

13 Sec. 1800. For the distribution of each of the pools within
14 the \$85,000,000.00 outpatient disproportionate share hospital
15 payment, the department shall develop a formula for the
16 distribution of each pool based on the quality of care, cost,
17 traditional disproportionate share hospital factors such as
18 Medicaid utilization and uncompensated care, and any other factor
19 that the department determines should be considered.

20 Sec. 1801. (1) From the funds appropriated in part 1 for
21 physician services and health plan services, the department shall
22 continue the increase to Medicaid rates for primary care services
23 provided only by primary care providers. For the purpose of this
24 section, a primary care provider is a physician, or a practitioner
25 working under the personal supervision of a physician, who is
26 board-eligible or certified with a specialty designation of family
27 medicine, general internal medicine, or pediatric medicine, or a

1 provider who provides the department with documentation of
2 equivalency. Providers performing a service and whose primary
3 practice is as a non-primary-care subspecialty is not eligible for
4 the increase. The department shall establish policies that most
5 effectively limit the increase to primary care providers for
6 primary care services only.

7 (2) The department shall report by March 1 of the current
8 fiscal year to the senate and house subcommittees on the department
9 budget, the senate and house fiscal agencies, the senate and house
10 policy offices, and the state budget office the following:

11 (a) A list of medical specialties and licensed providers that
12 were paid enhanced primary care rates in fiscal year 2014-2015.

13 (b) Information on the geographic distribution of specialists
14 who received enhanced rates in fiscal year 2014-2015.

15 Sec. 1802. From the funds appropriated in part 1, a lump-sum
16 payment shall be made to hospitals that qualified for rural
17 hospital access payments in fiscal year 2013-2014 and that provide
18 obstetrical care in the current fiscal year. The payment shall be
19 calculated as \$830.00 for each obstetrical care case payment and
20 each newborn care case payment for all such cases billed by the
21 qualified hospitals for fiscal year 2012-2013 and shall be paid
22 through the Medicaid health plan hospital rate adjustment process
23 by January 1 of the current fiscal year.

24 Sec. 1804. The department, in cooperation with the department
25 of military and veterans affairs, shall work with the federal
26 public assistance reporting information system to identify Medicaid
27 recipients who are veterans and who may be eligible for federal

1 veterans health care benefits or other benefits.

2 Sec. 1805. Hospitals receiving medical services payments for
3 graduate medical education shall submit fully completed quality
4 data to a nonprofit organization with extensive experience in
5 collecting and reporting hospital quality data on a public website.
6 The reporting must utilize consensus-based nationally endorsed
7 standards that meet National Quality Forum-endorsed safe practices.
8 The organization collecting the data must be an organization that
9 uses severity-adjusted risk models and measures that will help
10 patients and payers identify hospital campuses likely to have
11 superior outcomes. The public website shall provide information to
12 allow consumers to compare safe practices by hospital campus,
13 including, but not limited to, perinatal care, hospital-acquired
14 infection, and serious reportable events. Hospitals receiving
15 medical services payments for graduate medical education shall also
16 make their fully completed quality data available on the hospital's
17 website.

18 Sec. 1806. (1) The department may establish performance
19 standards to measure progress in the implementation of the common
20 formulary used by all contracted Medicaid health plans.

21 (2) The ongoing implementation of the common formulary must
22 include consideration of the department's preferred drug list.

23 (3) To achieve the objective of low net cost, the contracted
24 health plans may use evidence-based utilization management
25 techniques in the implementation of the common formulary.

26 (4) The contracted health plans and the department shall
27 continue to facilitate and emphasize the value of increased

1 participation in the use of e-prescribing and electronic medical
2 records.

3 Sec. 1809. The department shall establish separate contract
4 performance standards for Medicaid health plans that adhere to the
5 requirements of section 105d of the social welfare act, 1939 PA
6 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
7 withhold. The determination of the performance of the 0.75%
8 capitation withhold is at the discretion of the department but must
9 include recognized concepts such as 1-year continuous enrollment
10 and the HEDIS audited data. The determination of the performance of
11 the 0.25% capitation withhold is at the discretion of the
12 department but must include the utilization of high-value services
13 and discouraging the utilization of low-value services.

14 Sec. 1810. The department shall enhance encounter data
15 reporting processes and develop rules that would make each health
16 plan's encounter data as complete as possible, provide a fair
17 measure of acuity for each health plan's enrolled population for
18 risk adjustment purposes, capitation rate setting, diagnosis-
19 related group rate setting, and research and analysis of program
20 efficiencies while minimizing health plan administrative expense.

21 Sec. 1812. (1) By June 1 of the current fiscal year, and using
22 the most recent available cost reports, the department shall
23 complete a report of all direct and indirect costs associated with
24 residency training programs for each hospital that receives funds
25 appropriated in part 1 for graduate medical education. The report
26 shall be submitted to the house and senate appropriations
27 subcommittees on the department budget, the house and senate fiscal

1 agencies, and the state budget office.

2 (2) By August 1 of the current fiscal year, the department
3 shall develop a template for hospitals receiving funds appropriated
4 in part 1 for graduate medical education to report the following in
5 a standard format:

6 (a) The marginal cost to add 1 additional residency training
7 program slot.

8 (b) The number of additional slots that would result in the
9 need to add additional administrative costs to oversee the
10 residents in the training program.

11 (c) The postresidency retention rate for the residency
12 training program.

13 (3) The department shall convene a workgroup to use the
14 reports submitted under subsections (1) and (2) to assist in the
15 development of metrics for distribution of graduate medical
16 education funds and shall report to the senate and house
17 appropriations subcommittees on the department budget and the
18 senate and house fiscal agencies on the results of the workgroup by
19 September 30 of the current fiscal year. It is the intent of the
20 legislature that, beginning with the budget for the fiscal year
21 ending September 30, 2018, the metrics developed by this workgroup
22 be used to determine the distribution of funds for graduate medical
23 education.

24 (4) If needed, the department shall seek a federal waiver to
25 fulfill the requirements of this section.

26 Sec. 1820. (1) In order to avoid duplication of efforts, the
27 department shall utilize applicable national accreditation review

1 criteria to determine compliance with corresponding state
2 requirements for Medicaid health plans that have been reviewed and
3 accredited by a national accrediting entity for health care
4 services.

5 (2) The department shall continue to comply with state and
6 federal law and shall not initiate an action that negatively
7 impacts beneficiary safety.

8 (3) As used in this section, "national accrediting entity"
9 means the National Committee for Quality Assurance, the URAC,
10 formerly known as the Utilization Review Accreditation Commission,
11 or other appropriate entity, as approved by the department.

12 (4) By July 1 of the current fiscal year, the department shall
13 provide a progress report to the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal
15 agencies, and the state budget office on implementation of this
16 section.

17 Sec. 1837. The department shall continue, and expand where
18 appropriate, utilization of telemedicine and telepsychiatry as
19 strategies to increase access to services for Medicaid recipients
20 in medically underserved areas.

21 Sec. 1846. From the funds appropriated in part 1 for graduate
22 medical education, the department shall distribute the funds with
23 an emphasis on the following health care workforce goals:

24 (a) The encouragement of the training of physicians in
25 specialties, including primary care, that are necessary to meet the
26 future needs of residents of this state.

27 (b) The training of physicians in settings that include

1 ambulatory sites and rural locations.

2 Sec. 1850. The department may allow Medicaid health plans to
3 assist with the redetermination process through outreach activities
4 to ensure continuation of Medicaid eligibility and enrollment in
5 managed care. This may include mailings, telephone contact, or
6 face-to-face contact with beneficiaries enrolled in the individual
7 Medicaid health plan. Health plans may offer assistance in
8 completing paperwork for beneficiaries enrolled in their plan.

9 Sec. 1861. The department shall encourage cooperation between
10 the Medicaid managed care health plans, other health providers, and
11 nonprofit entities to continue the facilitation of a pilot
12 nonemergency transportation system.

13 Sec. 1862. From the funds appropriated in part 1, the
14 department shall maintain payment rates for Medicaid obstetrical
15 services at 95% of Medicare levels effective October 1, 2014.

16 Sec. 1866. (1) From the funds appropriated in part 1 for
17 hospital services and therapy and health plan services,
18 \$12,000,000.00 in general fund/general purpose revenue and any
19 associated federal match shall be awarded to hospitals that meet
20 criteria established by the department for services to low-income
21 rural residents. One of the reimbursement components of the
22 distribution formula shall be assistance with labor and delivery
23 services.

24 (2) No hospital or hospital system shall receive more than
25 10.0% of the total funding referenced in subsection (1).

26 (3) To allow hospitals to understand their rural payment
27 amounts under this section, the department shall provide hospitals

1 with the methodology for distribution under this section and
2 provide each hospital with its applicable data that are used to
3 determine the payment amounts by August 1 of the current fiscal
4 year. The department shall publish the distribution of payments for
5 the current fiscal year and the immediately preceding fiscal year.

6 Sec. 1870. The department shall continue to work with the
7 MiDocs consortium to explore alternative graduate medical education
8 financing sources and mechanisms that expand residency
9 opportunities for primary care training, per approval from the
10 Centers for Medicare and Medicaid Services. By December 1 of the
11 current fiscal year, the MiDocs consortium shall submit a report
12 presenting a comprehensive funding plan to the senate and house
13 appropriations subcommittees on the department budget and the
14 senate and house fiscal agencies.

15 Sec. 1873. From the funds appropriated in part 1 for long-term
16 care services, the department may allocate up to \$3,700,000.00 for
17 the purpose of outreach and education to nursing home residents and
18 the coordination of housing in order to move out of the facility.
19 In addition, any funds appropriated shall be used for other quality
20 improvement activities of the program. The department shall
21 consider working with the Area Agencies on Aging Association of
22 Michigan, the non-Area Agencies on Aging waivers, and the
23 Disability Network/Michigan to develop a plan for the ongoing
24 sustainability of the nursing facility transition initiative.

25 Sec. 1874. (1) The department shall ensure, in counties where
26 program of all-inclusive care for the elderly or PACE services are
27 available, that the program of all-inclusive care for the elderly

1 (PACE) is included as an option in all options counseling and
2 enrollment brokering for aging services and managed care programs,
3 including, but not limited to, Area Agencies on Aging, centers for
4 independent living, and the MiChoice home and community-based
5 waiver. Such options counseling must include approved marketing and
6 discussion materials.

7 (2) The department shall establish a workgroup that consists
8 of the independent waiver agents, the medical services
9 administration, and PACE providers, to address PACE program issues
10 as identified within the state contract with PACE providers. The
11 workgroup shall, at a minimum, address the following concerns:

12 (a) Timely eligibility processing.

13 (b) Barriers to new enrollment.

14 (c) Future expansion criteria.

15 (3) The department shall report by April 1 of the current
16 fiscal year to the senate and house appropriations subcommittees on
17 the department budget, the senate and house fiscal agencies, and
18 the state budget office on the findings of the workgroup.

19 Sec. 1875. (1) The department and its contractual agents may
20 not subject Medicaid prescriptions to prior authorization
21 procedures during the current fiscal year if that drug is carved
22 out or is not subject to prior authorization procedures as of May
23 9, 2016, and is generally recognized in a standard medical
24 reference or the American Psychiatric Association's Diagnostic and
25 Statistical Manual for the Treatment of a Psychiatric Disorder.

26 (2) The department and its contractual agents may not subject
27 Medicaid prescriptions to prior authorization procedures during the

1 current fiscal year if that drug is carved out or is not subject to
2 prior authorization procedures as of May 9, 2016 and is a
3 prescription drug that is generally recognized in a standard
4 medical reference for the treatment of epilepsy or seizure disorder
5 or organ replacement therapy.

6 (3) As used in this section, "prior authorization" means a
7 process implemented by the department or its contractual agents
8 that conditions, delays, or denies delivery or particular pharmacy
9 services to Medicaid beneficiaries upon application of
10 predetermined criteria by the department or its contractual agents
11 to those pharmacy services. The process of prior authorization
12 often requires that a prescriber do 1 or both of the following:

13 (a) Obtain preapproval from the department or its contractual
14 agents before prescribing a given drug.

15 (b) Verify to the department or its contractual agents that
16 the use of a drug prescribed for an individual meets predetermined
17 criteria from the department or its contractual agents for a
18 prescription drug that is otherwise available under the Medicaid
19 program in this state.

20 Sec. 1876. (1) From the funds appropriated in part 1 for
21 Healthy Michigan Plan, the department shall allocate up to
22 \$830,000.00 to facilitate the development and implementation of a
23 demonstration project in cooperation with 1 or more contracting
24 Medicaid health plans. These provisions shall be part of the
25 protocol for implementation of incentives under the Healthy
26 Michigan Plan and must do all of the following:

27 (a) Target Healthy Michigan Plan health plan enrollees who are

1 above 100% of the federal poverty level, in at least 2 prosperity
2 regions.

3 (b) Implement a web-based technology that links providers,
4 beneficiaries, and health plans, in real-time, for the purpose of
5 addressing deficiency in medical literacy and demonstrating that
6 personal responsibility is enhanced by technology.

7 (c) Identify specific behavioral changes that will result as
8 indicated by changes in measurable health outcomes and health care
9 utilization.

10 (2) The demonstration project shall be implemented by April 1
11 of the current fiscal year. Prior to implementation, the department
12 shall present a summary description to the senate and house
13 appropriations subcommittees on the department budget and the
14 senate and house committees on health policy that must include the
15 estimated cost of the demonstration, identify a shared savings
16 proposal for Medicaid health plans who participate in the
17 demonstration, and identify intended measurable results.

18 (3) It is the intent of the legislature that the demonstration
19 project shall test the cost containment capabilities of a program
20 that uses financial incentives to improve health and health care by
21 promoting health literacy and doctor-patient mutual accountability.
22 Outcomes and performance measures for this initiative shall
23 include, but are not limited to, the following:

24 (a) The total annual per capita or per-member-per-year health
25 care expenditures. This metric shall be derived by dividing the
26 total annual health care expenditures of a population by the
27 average annual number of people in that population. Claims data

1 shall be used to compute health care expenditures.

2 (b) The per-member-per-year health care expenditures of a
3 reasonably matched population not covered by the demonstration
4 program. To account for minor differences in the 2 populations,
5 each group's annual trend during the pilot shall be measured
6 against their respective baseline trends in the year before
7 implementing the program.

8 (c) In order to attribute the finding to the program, other
9 process metrics that have been found to correlate with health
10 literacy must be analyzed. These metrics may include
11 hospitalization rates, frequency of emergency room use, and the
12 percentage of health education sessions prescribed by medical
13 providers and successfully completed by patients relative to the
14 total number of possible session opportunities offered through the
15 program.

16 (4) It is the intent of the legislature that, beginning with
17 the budget for the fiscal year ending September 30, 2018, the
18 department shall submit quarterly reports to the senate and house
19 appropriations committees on the department budget, the senate and
20 house fiscal agencies, the senate and house policy offices, and the
21 state budget office detailing the information required in
22 subsection (3).

23 Sec. 1877. The department shall evaluate and report to the
24 house and senate appropriations subcommittees on the department
25 budget on how the Healthy Michigan plan has contributed to
26 assisting individuals in utilizing high-value services, minimized
27 the use of low-value services, and how individuals' lives may be

1 improving as a result of their access to services provided through
2 the Healthy Michigan plan.

3 Sec. 1878. Not later than March 1 of the current fiscal year,
4 the department shall provide a report to the senate and house
5 appropriations subcommittees on the department budget, the senate
6 and house fiscal agencies, the senate and house policy offices, and
7 the state budget office on hepatitis C tracking data. At a minimum,
8 the report shall include information on the following for
9 individuals treated with Harvoni or any other treatment used to
10 cure hepatitis C during the current fiscal year or a previous
11 fiscal year:

12 (a) The total number of people treated broken down by those
13 treated through traditional Medicaid and those treated through the
14 Healthy Michigan plan.

15 (b) The total cost of treatment.

16 (c) The total cost of treatment broken down by those treated
17 through traditional Medicaid and those treated through the Healthy
18 Michigan plan.

19 (d) The total amount of any rebates that were received from
20 the purchase of hepatitis C specialty pharmaceuticals.

21 (e) Outstanding rebates that the department is expecting to
22 receive.

23 (f) The cure rate broken down by Metavir Score, genotype,
24 Medicaid match rate, and drug used during treatment.

25 (g) The reinfection rate broken down by Metavir Score,
26 genotype, Medicaid match rate, and drug used during treatment.

27 Sec. 1882. By December 31, 2016, the department shall report

1 to the senate and house appropriations subcommittees on the
2 department budget, the senate and house fiscal agencies, and the
3 state budget office, documentation of the expenses incurred during
4 the immediate preceding fiscal year by Medicaid health plans and
5 PIHPs for the purpose of meeting the contractual requirements to
6 join the Michigan Health Information Network Shared Services and
7 incentivizing providers to become members of the Health Information
8 Exchange Qualified Organization. The report should also include an
9 estimation of the expenses to be incurred in the current fiscal
10 year by Medicaid health plans and PIHPs for the same purpose of
11 meeting their contractual obligations.

12 Sec. 1888. The department shall establish contract performance
13 standards associated with the capitation withhold provisions for
14 Medicaid health plans at least 3 months in advance of the
15 implementation of those standards. The determination of whether
16 performance standards have been met shall be based primarily on
17 recognized concepts such as 1-year continuous enrollment and the
18 healthcare effectiveness data and information set, HEDIS, audited
19 data.

20 Sec. 1890. From the funds appropriated in part 1 for
21 pharmaceutical services, the department shall ensure Medicaid
22 recipients' access to breast pumps to support and encourage
23 breastfeeding. The department shall adjust Medicaid policy to, at a
24 minimum, provide an individual double electric style pump to a
25 breastfeeding mother when a physician prescribes such a device
26 based on diagnosis of mother or infant. If the distribution method
27 for pumps or other equipment is a department contract with durable

1 medical equipment providers, the department shall guarantee
2 providers stock and rent to Medicaid recipients without delay or
3 undue restriction.

4 Sec. 1894. (1) From the funds appropriated in part 1 for
5 dental services, the department shall expand the Healthy Kids
6 Dental program to all eligible children in Kent, Oakland, and Wayne
7 Counties. This program expansion will improve access to necessary
8 dental services for Medicaid-enrolled children.

9 (2) Outcomes and performance measures for this initiative
10 include, but are not limited to, the following:

11 (a) The number of Medicaid-enrolled children in Kent, Oakland,
12 and Wayne Counties who visited the dentist over the prior year.

13 (b) The number of dentists in Kent, Oakland, and Wayne
14 Counties who will accept Medicaid payment for services to children.

15 (c) The change in dental utilization in Kent, Oakland, and
16 Wayne Counties before and after full implementation of the Healthy
17 Kids Dental expansion in these counties.

18 Sec. 1899. From the funds appropriated in part 1 for personal
19 care services, beginning October 1, 2016, the department shall
20 increase the monthly Medicaid personal care supplement paid to
21 adult foster care facilities and homes for the aged that provide
22 personal care services to Medicaid beneficiaries by \$15.00.

23 **ONE-TIME BASIS ONLY APPROPRIATIONS**

24 Sec. 1908. The funds appropriated in part 1 for hospice
25 services shall be expended to provide room and board for Medicaid
26 recipients who meet hospice eligibility requirements and receive

1 services at Medicaid enrolled hospice residences in this state. The
2 qualifying hospice residences must have been enrolled with Medicaid
3 by October 1, 2014.

4 Sec. 1909. (1) From the increased funds appropriated in part 1
5 for family preservation and support services, the department shall
6 expand the parent partner program and the family reunification
7 program. The purpose of these program expansions will be to enhance
8 family preservation and support services to prevent the need for
9 foster care, shorten the length of time between foster care entry
10 and reunification, and sustain parental progress following
11 reunification.

12 (2) The department shall identify specific outcomes and
13 performance measures for this initiative, including, but not
14 limited to, the following:

15 (a) Percentage of children that were discharged from foster
16 care to reunification in less than 12 months from the date of the
17 latest removal from home.

18 (b) Median length of stay in months from the date of the
19 latest removal from home until the date of discharge to
20 reunification.

21 (c) Percentage of children who reentered foster care in less
22 than 12 months from the date of discharge to reunification.

23 (d) Percentage of children who were victims of a substantiated
24 or indicated maltreatment allegation who were not victims of
25 another substantiated or indicated maltreatment allegation within a
26 6-month period from the date of discharge to reunification.

27 (e) Measurable effects of this program expansion on reducing

1 the rate of children who live in families with incomes below the
2 federal poverty level.

3 (3) Unexpended funds appropriated in part 1 for family
4 preservation and support services are designated as work project
5 appropriations, and any unencumbered or unallotted funds shall not
6 lapse at the end of the current fiscal year and shall be available
7 for expenditures for the parent partner program and the family
8 reunification program until the projects have been completed. All
9 of the following are in compliance with section 451a of the
10 management and budget act, 1984 PA 431, MCL 18.1451a:

11 (a) The purpose of the projects is to expand and enhance
12 family preservation and support services to prevent the need for
13 foster care, shorten the length of time between foster care entry
14 and reunification, and sustain parental progress following
15 reunification.

16 (b) The projects will be carried out through contracts with
17 private and not-for-profit vendors to expand the parent partner
18 program and family reunification program to additional counties
19 throughout the state.

20 (c) The estimated cost of this work project is \$6,098,200.00.

21 (d) The estimated work project completion date is September
22 30, 2019.

23 Sec. 1910. From the funds appropriated in part 1 for the
24 drinking water declaration of emergency, the department shall
25 allocate funds to address needs in a city in which a declaration of
26 emergency was issued because of drinking water contamination. These
27 funds may support, but are not limited to, the following

1 activities:

2 (a) Emergency nutrition assistance, nutritional and community
3 education, food bank resources, and food inspections.

4 (b) Epidemiological analysis and case management of
5 individuals at risk of elevated blood lead levels.

6 (c) Support for child and adolescent health centers,
7 children's health care access program, and pathways to potential
8 programming.

9 (d) Nursing services, evidence-based home visiting programs,
10 intensive services, and outreach for children exposed to lead
11 coordinated through local community mental health organizations.

12 (e) Department field operations costs.

13 (f) Assessment of potential linkages to other diseases.

14 Sec. 1912. From the funds appropriated in part 1 for mobile
15 electronic service verification study, the department shall
16 allocate \$25,000.00 to commission a study to review the outcomes
17 and performance improvements of developing and piloting a mobile
18 electronic service verification solution for home help services
19 that shall include biometric identity verification to create
20 administrative efficiencies, reduce error, and minimize fraud.

21 PART 2A

22 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

23 FOR FISCAL YEAR 2017-2018

24 **GENERAL SECTIONS**

25 Sec. 2001. It is the intent of the legislature to provide

1 appropriations for the fiscal year ending on September 30, 2018 for
 2 the line items listed in part 1. The fiscal year 2017-2018
 3 appropriations are anticipated to be the same as those for fiscal
 4 year 2016-2017, except that the line items will be adjusted for
 5 changes in caseload and related costs, federal fund match rates,
 6 economic factors, and available revenue. These adjustments will be
 7 determined after the January 2017 consensus revenue estimating
 8 conference.

9 ARTICLE XI

10 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

11 PART 1

12 LINE-ITEM APPROPRIATIONS

13 Sec. 101. There is appropriated for the department of
 14 insurance and financial services for the fiscal year ending
 15 September 30, 2017, from the following funds:

16 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

17 APPROPRIATION SUMMARY

18	Full-time equated unclassified positions.....	6.0	
19	Full-time equated classified positions.....	336.5	
20	GROSS APPROPRIATION.....	\$	66,257,200
21	Interdepartmental grant revenues:		
22	Total interdepartmental grants and intradepartmental		
23	transfers		707,600
24	ADJUSTED GROSS APPROPRIATION.....	\$	65,549,600

1	Federal revenues:	
2	Total federal revenues.....	2,000,000
3	Special revenue funds:	
4	Total local revenues.....	0
5	Total private revenues.....	0
6	Total other state restricted revenues.....	63,399,600
7	State general fund/general purpose.....	\$ 150,000
8	State general fund/general purpose schedule:	
9	Ongoing state general fund/general	
10	purpose	150,000
11	One-time state general fund/general	
12	purpose	0
13	Sec. 102. DEPARTMENT SERVICES	
14	Full-time equated unclassified positions.....	6.0
15	Full-time equated classified positions.....	22.5
16	Unclassified salaries--6.0 FTE positions.....	\$ 746,500
17	Executive director programs--3.5 FTE positions	1,059,200
18	Department services--19.0 FTE positions	3,730,700
19	Property management.....	1,175,700
20	Worker's compensation.....	5,200
21	Administrative hearings.....	182,500
22	Information technology services and projects	<u>2,216,100</u>
23	GROSS APPROPRIATION.....	\$ 9,115,900
24	Appropriated from:	
25	Special revenue funds:	
26	Bank fees.....	801,600
27	Captive insurance regulatory and supervision fund....	3,900

1	Consumer finance fees.....	355,800
2	Credit union fees.....	1,056,800
3	Deferred presentment service transaction fees.....	469,900
4	Insurance bureau fund.....	2,829,300
5	Insurance continuing education fund.....	90,500
6	Insurance licensing and regulation fees.....	2,537,300
7	MBLSLA fund.....	819,600
8	Multiple employer welfare arrangement.....	1,200
9	State general fund/general purpose.....	\$ 150,000
10	Sec. 103. INSURANCE AND FINANCIAL SERVICES	
11	REGULATION	
12	Full-time equated classified positions.....	314.0
13	Insurance evaluation--54.0 FTE positions.....	\$ 12,908,900
14	Insurance rates and forms--30.0 FTE positions.....	5,942,500
15	Financial institutions evaluation--132.0 FTE positions	24,212,800
16	Regulatory compliance, market conduct, and licensing--	
17	34.0 FTE positions	5,482,000
18	Consumer services and protection--64.0 FTE positions .	<u>8,595,100</u>
19	GROSS APPROPRIATION.....	\$ 57,141,300
20	Appropriated from:	
21	Interdepartmental grant revenues:	
22	IDG - LARA, for debt management	707,600
23	Federal revenues:	
24	Federal revenues.....	2,000,000
25	Special revenue funds:	
26	Bank fees.....	6,018,100
27	Captive insurance regulatory and supervision fund....	282,900

1	Consumer finance fees.....	3,061,000
2	Credit union fees.....	7,968,800
3	Deferred presentment service transaction fees.....	3,293,200
4	Insurance bureau fund.....	20,988,400
5	Insurance continuing education fund.....	995,000
6	Insurance licensing and regulation fees.....	6,004,500
7	MBLSLA fund.....	5,540,100
8	Multiple employer welfare arrangement.....	281,700
9	State general fund/general purpose.....	\$ 0

10 PART 2

11 PROVISIONS CONCERNING APPROPRIATIONS

12 FOR FISCAL YEAR 2016-2017

13 GENERAL SECTIONS

14 Sec. 201. Pursuant to section 30 of article IX of the state
 15 constitution of 1963, total state spending from state resources
 16 under part 1 for fiscal year 2016-2017 is \$63,549,600.00 and state
 17 spending from state resources to be paid to local units of
 18 government for fiscal year 2016-2017 is \$0.

19 Sec. 202. The appropriations authorized under this part and
 20 part 1 are subject to the management and budget act, 1984 PA 431,
 21 MCL 18.1101 to 18.1594.

22 Sec. 203. As used in this part and part 1:

23 (a) "Department" means the department of insurance and
 24 financial services.

25 (b) "Director" means the director of the department.

1 (c) "Fiscal agencies" means Michigan house fiscal agency and
2 Michigan senate fiscal agency.

3 (d) "FTE" means full-time equated.

4 (e) "IDG" means interdepartmental grant.

5 (f) "LARA" means the department of licensing and regulatory
6 affairs.

7 (g) "MBLSLA fund" means the restricted account established
8 under section 8 of the mortgage brokers, lenders, and servicers
9 licensing act, 1987 PA 173, MCL 445.1658.

10 (h) "Subcommittees" means the subcommittees of the house of
11 representatives and senate appropriations committees with
12 jurisdiction over the budget for the department.

13 Sec. 204. The departments and agencies receiving
14 appropriations in this part and part 1 shall use the Internet to
15 fulfill the reporting requirements of this part. This requirement
16 may include transmission of reports via electronic mail to the
17 recipients identified for each reporting requirement, or it may
18 include placement of reports on an Internet or Intranet site.

19 Sec. 205. Funds appropriated in this part and part 1 shall not
20 be used for the purchase of foreign goods or services, or both, if
21 competitively priced and of comparable quality American goods or
22 services, or both, are available. Preference shall be given to
23 goods or services, or both, manufactured or provided by Michigan
24 businesses, if they are competitively priced and of comparable
25 quality. In addition, preference shall be given to goods or
26 services, or both, that are manufactured or provided by Michigan
27 businesses owned and operated by veterans, if they are

1 competitively priced and of comparable quality.

2 Sec. 206. The director shall take all reasonable steps to
3 ensure businesses in deprived and depressed communities compete for
4 and perform contracts to provide services or supplies, or both. The
5 director shall strongly encourage firms with which the department
6 contracts to subcontract with certified businesses in depressed and
7 deprived communities for services, supplies, or both.

8 Sec. 207. (1) Out-of-state travel shall be limited to
9 situations in which 1 or more of the following conditions apply:

10 (a) The travel is required by legal mandate or court order or
11 for law enforcement purposes.

12 (b) The travel is necessary to protect the health or safety of
13 Michigan citizens or visitors or to assist other states in similar
14 circumstances.

15 (c) The travel is necessary to produce budgetary savings or to
16 increase state revenues, including protecting existing federal
17 funds or securing additional federal funds.

18 (d) The travel is necessary to comply with federal
19 requirements.

20 (e) The travel is necessary to secure specialized training for
21 staff that is not available within this state.

22 (f) The travel is financed entirely by federal or nonstate
23 funds.

24 (2) The department shall not approve the travel of more than 1
25 departmental employee to a specific professional development
26 conference or training seminar that is located outside of this
27 state unless a professional development conference or training

1 seminar is funded by a federal or private funding source and
2 requires more than 1 person from a department to attend, or the
3 conference or training seminar includes multiple issues in which 1
4 employee from the department does not have expertise.

5 (3) Not later than January 1, the department shall prepare a
6 travel report listing all travel by classified and unclassified
7 employees outside this state in the immediately preceding fiscal
8 year that was funded in whole or in part with funds appropriated in
9 the department's budget. The report shall be submitted to the
10 senate and house of representatives standing committees on
11 appropriations, the fiscal agencies, and the state budget director.
12 The report shall include the following information:

13 (a) The name of each person receiving reimbursement for travel
14 outside this state or whose travel costs were paid by this state.

15 (b) The destination of each travel occurrence.

16 (c) The dates of each travel occurrence.

17 (d) A brief statement of the reason for each travel
18 occurrence.

19 (e) The transportation and related costs of each travel
20 occurrence, including the proportion funded with state general
21 fund/general purpose revenues, the proportion funded with state
22 restricted revenues, the proportion funded with federal revenues,
23 and the proportion funded with other revenues.

24 (f) A total of all out-of-state travel funded for the
25 immediately preceding fiscal year.

26 Sec. 208. Funds appropriated in this part and part 1 shall not
27 be used by a principal executive department, state agency, or

1 authority to hire a person to provide legal services that are the
2 responsibility of the attorney general. This prohibition does not
3 apply to legal services for bonding activities and for those
4 outside services that the attorney general authorizes.

5 Sec. 209. Not later than November 30, the state budget office
6 shall prepare and transmit a report that provides for estimates of
7 the total general fund/general purpose appropriation lapses at the
8 close of the prior fiscal year. This report must summarize the
9 projected year-end general fund/general purpose appropriation
10 lapses by major departmental program or program areas. The report
11 shall be transmitted to the chairpersons of the senate and house of
12 representatives appropriations committees and the fiscal agencies.

13 Sec. 210. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$1,000,000.00 for
15 federal contingency funds.

16 (2) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$5,000,000.00 for state
18 restricted contingency funds.

19 (3) Funds appropriated under this section are not available
20 for expenditure until they have been transferred to another line
21 item in part 1 under section 393(2) of the management and budget
22 act, 1984 PA 431, MCL 18.1393.

23 Sec. 211. The department shall cooperate with the department
24 of technology, management, and budget to maintain a searchable
25 website accessible by the public at no cost that includes, but is
26 not limited to, all of the following for each department or agency:

27 (a) Fiscal-year-to-date expenditures by category.

1 (b) Fiscal-year-to-date expenditures by appropriation unit.

2 (c) Fiscal-year-to-date payments to a selected vendor,
3 including the vendor name, payment date, payment amount, and
4 payment description.

5 (d) The number of active department employees by job
6 classification.

7 (e) Job specifications and wage rates.

8 Sec. 212. Within 14 days after the release of the executive
9 budget recommendation, the department shall cooperate with the
10 state budget office to provide the senate and house of
11 representatives appropriations chairs, the subcommittees chairs,
12 and the fiscal agencies with an annual report on estimated state
13 restricted fund balances, state restricted fund projected revenues,
14 and state restricted fund expenditures for the immediately
15 preceding and current fiscal years.

16 Sec. 213. The department shall maintain, on a publicly
17 accessible website, a department scorecard that identifies, tracks,
18 and regularly updates key metrics that are used to monitor and
19 improve the department's performance.

20 Sec. 214. Total authorized appropriations from all sources in
21 part 1 for legacy costs for the fiscal year ending September 30,
22 2017 are \$10,214,700.00. From this amount, total agency
23 appropriations for pension-related legacy costs are estimated at
24 \$5,663,800.00. Total agency appropriations for retiree health care
25 legacy costs are estimated at \$4,550,900.00.

26 Sec. 215. Unless prohibited by law, the department may accept
27 credit card or other electronic means of payment for licenses,

1 fees, or permits.

2 Sec. 217. The department and agencies receiving appropriations
3 in this part and part 1 shall receive and retain copies of all
4 reports funded from appropriations in this part and part 1. Federal
5 and state guidelines for short-term and long-term retention of
6 records shall be followed. The department may electronically retain
7 copies or reports unless otherwise required by federal and state
8 guidelines.

9 Sec. 218. The department shall not take disciplinary action
10 against an employee for communicating with a member of the
11 legislature or his or her staff.

12 Sec. 219. The department shall not develop or produce any
13 television or radio productions.

14 Sec. 220. The department, in conjunction with the department
15 of health and human services, shall maintain an accounting
16 structure within the Michigan administrative information network
17 that will allow expenditures associated with the administration of
18 the Healthy Michigan plan to be identified. By October 1, if there
19 are changes from the previous fiscal year, the department shall
20 provide the state budget office and the fiscal agencies with the
21 relevant accounting structure and associated business objects
22 script and report that group's administrative costs.

23 Sec. 221. The amount appropriated from the general fund in
24 part 1 for executive director program may only be expended to
25 comply with reporting requirements regarding the Healthy Michigan
26 plan under section 105d(9) of the social welfare act, 1939 PA 280,
27 MCL 400.105d.

1 **INSURANCE AND FINANCIAL SERVICES REGULATION**

2 Sec. 301. The department shall provide a report to the
3 legislature based on the annual rate filings from health insurance
4 issuers that includes all of the following:

5 (a) The number that are approved by the department.

6 (b) The number that are denied by the department.

7 (c) The percentage of rate filings processed within the
8 applicable statutory time frames.

9 (d) The average number of calendar days to process rate
10 filings.

11 (e) An estimated percentage of this state's population that is
12 without any form of health insurance coverage for more than 6
13 months in any given calendar year.

14 Sec. 302. In addition to the funds appropriated in part 1, the
15 funds collected by the department in connection with a
16 conservatorship under section 32 of the mortgage brokers, lenders,
17 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
18 collected by the department from corporations being liquidated
19 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to
20 500.8302, shall be appropriated for all expenses necessary to
21 provide for the required services. Funds are available for
22 expenditure when they are received by the department of treasury
23 and shall not lapse to the general fund at the end of the fiscal
24 year.

25 Sec. 303. The department may make available to interested
26 entities customized listings of nonconfidential information in its
27 possession. The department may establish and collect a reasonable

charge to provide this service. The revenue from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

ARTICLE XII

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2017, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions.....	510.0	
GROSS APPROPRIATION.....	\$	298,234,000
Interdepartmental grant revenues:		
IDG from department of state police.....		1,500,000
IDG from department of corrections.....		50,000
Total interdepartmental grants and intradepartmental transfers		1,550,000
ADJUSTED GROSS APPROPRIATION.....	\$	296,684,000
Federal revenues:		
DOJ, drug court training and evaluation.....		300,000
DOT, National Highway Traffic Safety Administration..		2,210,700
HHS, access and visitation grant.....		621,200

1	HHS, children's justice grant.....	233,000
2	HHS, court improvement project.....	1,309,700
3	HHS, title IV-D child support program.....	1,024,700
4	HHS, title IV-E foster care program.....	392,500
5	Other federal grant revenues.....	341,700
6	Total federal revenues.....	6,433,500
7	Special revenue funds:	
8	Local - user fees.....	7,349,300
9	Total local revenues.....	7,349,300
10	Private.....	190,800
11	Private - interest on lawyers trust accounts.....	346,800
12	Private - state justice institute.....	420,200
13	Total private revenues.....	957,800
14	Total local and private revenues.....	8,307,100
15	Community dispute resolution fund.....	2,377,200
16	Court equity fund.....	50,440,000
17	Court fee fund.....	2,988,100
18	Court of appeals filing/motion fees.....	1,641,800
19	Drug court fund.....	1,920,500
20	Drug fund.....	250,000
21	Drunk driving fund.....	3,300,000
22	Judicial technology improvement fund.....	4,815,000
23	Juror compensation fund.....	6,600,000
24	Electronic filing fee fund.....	8,500,000
25	Justice system fund.....	575,200
26	Law exam fees.....	649,700
27	Miscellaneous revenue.....	408,700

1	State court fund.....	8,319,800
2	Total other state restricted revenues.....	92,786,000
3	State general fund/general purpose.....	\$ 189,157,400
4	Sec. 102. SUPREME COURT	
5	Full-time equated exempted positions.....	246.0
6	Supreme court administration--92.0 FTE positions.....	\$ 13,606,300
7	Judicial institute--13.0 FTE positions.....	1,800,800
8	State court administrative office--61.0 FTE positions	12,211,100
9	Judicial information systems--22.0 FTE positions.....	3,427,500
10	Direct trial court automation support--44.0 FTE	
11	positions	7,349,300
12	Foster care review board--10.0 FTE positions.....	1,305,700
13	Community dispute resolution--3.0 FTE positions.....	2,377,200
14	Other federal grants.....	275,100
15	Drug treatment courts.....	11,083,000
16	Mental health courts and diversion service--1.0 FTE	
17	position	5,462,700
18	Veterans courts.....	500,000
19	Swift and sure sanctions program.....	4,000,000
20	Next generation Michigan court system.....	<u>4,116,000</u>
21	GROSS APPROPRIATION.....	\$ 67,514,700
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of state police.....	1,500,000
25	IDG from department of corrections.....	50,000
26	Federal revenues:	
27	DOJ, drug court training and evaluation.....	300,000

1	DOT, National Highway Traffic Safety Administration ..	2,210,700
2	HHS, access and visitation grant	621,200
3	HHS, children's justice grant	233,000
4	HHS, court improvement project	1,309,700
5	HHS, title IV-D child support program	1,024,700
6	HHS, title IV-E foster care program	392,500
7	Other federal grant revenues	275,100
8	Special revenue funds:	
9	Local - user fees	7,349,300
10	Private	190,800
11	Private - interest on lawyers trust accounts	262,600
12	Private - state justice institute	420,200
13	Community dispute resolution fund	2,377,200
14	Court of appeals filing/motion fees	1,641,800
15	Law exam fees	649,700
16	Drug court fund	1,920,500
17	Miscellaneous revenue	273,300
18	Justice system fund	575,200
19	State court fund	382,800
20	State general fund/general purpose	\$ 43,554,400
21	Sec. 103. COURT OF APPEALS	
22	Full-time equated exempted positions	175.0
23	Court of appeals operations--175.0 FTE positions	\$ <u>23,102,700</u>
24	GROSS APPROPRIATION	\$ 23,102,700
25	Appropriated from:	
26	Special revenue funds:	
27	State general fund/general purpose	\$ 23,102,700

1	Sec. 104. BRANCHWIDE APPROPRIATIONS		
2	Full-time equated exempted positions.....	4.0	
3	Branchwide appropriations--4.0 FTE positions	\$	<u>8,745,300</u>
4	GROSS APPROPRIATION.....	\$	8,745,300
5	Appropriated from:		
6	State general fund/general purpose	\$	8,745,300
7	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION		
8	Full-time judges positions	592.0	
9	Supreme court justices' salaries--7.0 justices	\$	1,152,300
10	Court of appeals judges' salaries--26.0 judges		4,014,100
11	District court judges' state base salaries--241.0		
12	judges		22,613,900
13	District court judicial salary standardization		11,008,100
14	Probate court judges' state base salaries--103.0		
15	judges		9,770,600
16	Probate court judicial salary standardization		4,669,600
17	Circuit court judges' state base salaries--215.0		
18	judges		20,481,400
19	Circuit court judicial salary standardization		9,796,400
20	Judges' retirement system defined contributions		4,526,500
21	OASI, social security		<u>5,733,000</u>
22	GROSS APPROPRIATION.....	\$	93,765,900
23	Appropriated from:		
24	Special revenue funds:		
25	Court fee fund.....		2,988,100
26	State general fund/general purpose	\$	90,777,800
27	Sec. 106. JUDICIAL AGENCIES		

1	Full-time equated exempted positions.....	7.0	
2	Judicial tenure commission--7.0 FTE positions		\$ <u>1,137,600</u>
3	GROSS APPROPRIATION.....		\$ 1,137,600
4	Appropriated from:		
5	State general fund/general purpose		\$ 1,137,600
6	Sec. 107. INDIGENT DEFENSE - CRIMINAL		
7	Full-time equated exempted positions.....	67.0	
8	Appellate public defender program--51.0 FTE positions		\$ 7,704,500
9	Michigan indigent defense commission--16.0 FTE		
10	positions		<u>2,345,600</u>
11	GROSS APPROPRIATION.....		\$ 10,050,100
12	Appropriated from:		
13	Federal revenues:		
14	Other federal grant revenues		66,600
15	Special revenue funds:		
16	Private - interest on lawyers trust accounts		84,200
17	Miscellaneous revenue		135,400
18	State general fund/general purpose		\$ 9,763,900
19	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
20	Indigent civil legal assistance		\$ <u>7,937,000</u>
21	GROSS APPROPRIATION.....		\$ 7,937,000
22	Appropriated from:		
23	Special revenue funds:		
24	State court fund.....		7,937,000
25	State general fund/general purpose		\$ 0
26	Sec. 109. TRIAL COURT OPERATIONS		
27	Court equity fund reimbursements		\$ 60,815,700

1	Judicial technology improvement fund.....	4,815,000
2	Drug case-flow program.....	250,000
3	Drunk driving case-flow program.....	3,300,000
4	Juror compensation reimbursement.....	6,600,000
5	Statewide e-file system.....	<u>8,500,000</u>
6	GROSS APPROPRIATION.....	\$ 84,280,700
7	Appropriated from:	
8	Special revenue funds:	
9	Court equity fund.....	50,440,000
10	Judicial technology improvement fund.....	4,815,000
11	Drug fund.....	250,000
12	Drunk driving fund.....	3,300,000
13	Juror compensation fund.....	6,600,000
14	Electronic filing fee fund.....	8,500,000
15	State general fund/general purpose.....	\$ 10,375,700
16	Sec. 110. ONE-TIME BASIS ONLY APPROPRIATIONS	
17	Full-time equated exempted positions..... 11.0	
18	Medication assisted treatment pilot program.....	\$ 750,000
19	Compliance with <u>Montgomery v Louisiana</u>	
20	decision--11.0 FTE positions	700,000
21	Expansion of problem solving courts.....	<u>250,000</u>
22	GROSS APPROPRIATION.....	\$ 1,700,000
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 1,700,000

25

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$281,943,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$137,778,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

State court administrative office.....	\$	711,900
Drug treatment courts.....		11,083,000
Mental health courts and diversion services.....		5,462,700
Veterans courts.....		500,000
Swift and sure sanctions program.....		3,900,000
Next generation Michigan court system.....		4,116,000

TRIAL COURT OPERATIONS

Court equity fund reimbursements.....	\$	60,815,700
Judicial technology improvement fund.....		4,815,000
Drunk driving case-flow program.....		3,300,000
Drug case-flow program.....		250,000
Juror compensation reimbursement.....		6,600,000

JUSTICES' AND JUDGES' COMPENSATION

District court judicial salary standardization.....	\$	11,008,100
Probate court judges' state base salaries.....		9,770,600

1	Probate court judicial salary standardization.....	4,669,600
2	Circuit court judicial salary standardization.....	9,796,400
3	Grant to OASI contribution fund, employers share,	
4	social security	<u>979,000</u>
5	TOTAL.....	\$ 137,778,000

6 Sec. 202. (1) The appropriations authorized under this part
7 and part 1 are subject to the management and budget act, 1984 PA
8 431, MCL 18.1101 to 18.1594.

9 (2) Funds appropriated in part 1 to an entity within the
10 judicial branch shall not be expended or transferred to another
11 account without written approval of the authorized agent of the
12 judicial entity. If the authorized agent of the judicial entity
13 notifies the state budget director of its approval of an
14 expenditure or transfer, the state budget director shall
15 immediately make the expenditure or transfer. The authorized
16 judicial entity agent shall be designated by the chief justice of
17 the supreme court.

18 Sec. 203. As used in this part and part 1:

19 (a) "DOJ" means the United States Department of Justice.

20 (b) "DOT" means the United States Department of
21 Transportation.

22 (c) "FTE" means full-time equated.

23 (d) "HHS" means the United States Department of Health and
24 Human Services.

25 (e) "IDG" means interdepartmental grant.

26 (f) "OASI" means old age survivor's insurance.

27 (g) "SADO" means the state appellate defender office created

1 under the appellate defender act, 1978 PA 620, MCL 780.711 to
2 780.719.

3 (h) "Title IV-D" means the part of the federal social security
4 act, 42 USC 301 to 1397mm, pertaining to the child support
5 enforcement program.

6 (i) "Title IV-E" means the part of the federal social security
7 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

8 Sec. 204. The judicial branch shall not take disciplinary
9 action against an employee for communicating with a member of the
10 legislature or his or her staff.

11 Sec. 205. It is the intent of the legislature that judges who
12 are presiding over a hearing on a foster care case shall publicly
13 acknowledge and request the input of the foster parent or foster
14 parents during the hearing.

15 Sec. 207. If the judicial branch makes any changes to a foster
16 care family service plan before its finalization, it is the intent
17 of the legislature that the presiding judge provide an explanation
18 for any changes to that plan in the court record.

19 Sec. 208. The reporting requirements of this part shall be
20 completed with the approval of, and at the direction of, the
21 supreme court, except as otherwise provided in this part. The
22 judicial branch shall use the Internet to fulfill the reporting
23 requirements of this part. This may include transmission of reports
24 via electronic mail to the recipients identified for each reporting
25 requirement, or it may include placement of reports on an Internet
26 or Intranet site.

27 Sec. 211. From the funds appropriated in part 1, the state

1 court administrative office shall evaluate programs within the
2 department of health and human services and the department of
3 talent and economic development to establish programmatic
4 connections with the participants in the swift and sure sanctions
5 program. The purpose of this relationship is to leverage
6 collaborations and to determine avenues of success for offenders
7 who are eligible for state-provided programs. By March 1, the state
8 court administrative office shall deliver guidance to courts
9 participating in the swift and sure sanctions program under the
10 probation swift and sure sanctions act, chapter XIA of the code of
11 criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, detailing
12 the evaluations and directing participants into available
13 programming.

14 Sec. 212. The judicial branch shall receive and retain copies
15 of all reports funded from appropriations in part 1. Federal and
16 state guidelines for short-term and long-term retention of records
17 shall be followed. The judicial branch may electronically retain
18 copies of reports unless otherwise required by federal and state
19 guidelines.

20 Sec. 214. Funds appropriated in part 1 shall not be used for
21 the purchase of foreign goods or services, or both, if
22 competitively priced and of comparable quality American goods or
23 services, or both, are available. Preference shall be given to
24 goods or services, or both, manufactured or provided by Michigan
25 businesses, if they are competitively priced and of comparable
26 quality. In addition, preference shall be given to goods or
27 services, or both, that are manufactured or provided by Michigan

1 businesses owned and operated by veterans, if they are
2 competitively priced and of comparable quality.

3 Sec. 215. Not later than January 1 of each year, the state
4 court administrative office shall prepare a report on out-of-state
5 travel listing all travel by judicial branch employees outside this
6 state in the immediately preceding fiscal year that was funded in
7 whole or in part with funds appropriated in the budget for the
8 judicial branch. The report shall be submitted to the senate and
9 house appropriations committees, the senate and house fiscal
10 agencies, and the state budget director. The report shall include
11 the following information:

12 (a) The dates of each travel occurrence.

13 (b) The transportation and related costs of each travel
14 occurrence, including the proportion funded with state general
15 fund/general purpose revenues, the proportion funded with state
16 restricted revenues, the proportion funded with federal revenues,
17 and the proportion funded with other revenues.

18 Sec. 219. Not later than November 30, the state budget office
19 shall prepare and transmit a report that provides for estimates of
20 the total general fund/general purpose appropriation lapses at the
21 close of the prior fiscal year. This report shall summarize the
22 projected year-end general fund/general purpose appropriation
23 lapses by major program or program areas. The report shall be
24 transmitted to the chairpersons of the senate and house
25 appropriations committees and the senate and house fiscal agencies.

26 Sec. 221. From the funds appropriated in part 1, the judicial
27 branch shall maintain a searchable website accessible by the public

1 at no cost that includes all expenditures made by the judicial
2 branch within a fiscal year. The posting shall include the purpose
3 for which each expenditure is made. The judicial branch shall not
4 provide financial information on its website under this section if
5 doing so would violate a federal or state law, rule, regulation, or
6 guideline that establishes privacy or security standards applicable
7 to that financial information.

8 Sec. 222. Within 14 days after the release of the executive
9 budget recommendation, the judicial branch shall cooperate with the
10 state budget office to provide the senate and house appropriations
11 chairs, the senate and house appropriations subcommittees chairs,
12 and the senate and house fiscal agencies with an annual report on
13 estimated state restricted fund balances, state restricted fund
14 projected revenues, and state restricted fund expenditures for the
15 fiscal years ending September 30, 2016 and September 30, 2017.

16 Sec. 223. The judiciary shall maintain, on a publicly
17 accessible website, a scorecard that identifies, tracks, and
18 regularly updates key metrics that are used to monitor and improve
19 the judiciary's performance.

20 Sec. 224. Total authorized appropriations from all sources
21 under part 1 for legacy costs for the fiscal year ending September
22 30, 2017 are \$14,104,600.00. From this amount, total judiciary
23 appropriations for pension-related legacy costs are estimated at
24 \$7,820,600.00. Total appropriations for judiciary retiree health
25 care legacy costs are estimated at \$6,284,000.00.

26 **JUDICIAL BRANCH**

1 Sec. 301. From the funds appropriated in part 1, the direct
2 trial court automation support program of the state court
3 administrative office shall recover direct and overhead costs from
4 trial courts by charging for services rendered. The fee shall cover
5 the actual costs incurred to the direct trial court automation
6 support program in providing the service, including development of
7 future versions of case management systems.

8 Sec. 302. Funds appropriated within the judicial branch shall
9 not be expended by any component within the judicial branch without
10 the approval of the supreme court.

11 Sec. 303. Of the amount appropriated in part 1 for the
12 judicial branch, \$711,900.00 is allocated for circuit court
13 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
14 costs associated with the court of claims.

15 Sec. 306. By February 1, the state court administrative office
16 shall produce a statistical report, categorized by county,
17 regarding both the collected and uncollected amounts of restitution
18 payments, court fees, and any other applicable judgments placed
19 upon persons within the county, reported for the year 2015.

20 Sec. 307. From the funds appropriated in part 1 for mental
21 health courts and diversion services, \$1,730,000.00 is intended to
22 address the recommendations of the mental health diversion council.

23 Sec. 308. If sufficient funds are not available from the court
24 fee fund to pay judges' compensation, the difference between the
25 appropriated amount from that fund for judges' compensation and the
26 actual amount available after the amount appropriated for trial
27 court reimbursement is made shall be appropriated from the state

1 general fund for judges' compensation. If an appropriation is made
2 under this section, the state court administrative office shall
3 notify, within 14 days of the appropriation, the senate and house
4 standing committees on appropriations, the senate and house
5 appropriations subcommittees on judiciary, the senate and house
6 fiscal agencies, and the state budget office.

7 Sec. 309. By April 1, the state court administrative office
8 shall provide a report on drug treatment, mental health, and
9 veterans court programs in this state. The report shall include
10 information on the number of each type of program that has been
11 established, the number of program participants in each
12 jurisdiction, and the impact of the programs on offender criminal
13 involvement and recidivism. The report shall be submitted to the
14 senate and house appropriations subcommittees on judiciary, the
15 senate and house fiscal agencies, and the state budget director.

16 Sec. 311. (1) The funds appropriated in part 1 for drug
17 treatment courts as that term is defined in section 1060 of the
18 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
19 administered by the state court administrative office to operate
20 drug treatment court programs. A drug treatment court shall be
21 responsible for handling cases involving substance abusing
22 nonviolent offenders through comprehensive supervision, testing,
23 treatment services, and immediate sanctions and incentives. A drug
24 treatment court shall use all available county and state personnel
25 involved in the disposition of cases including, but not limited to,
26 parole and probation agents, prosecuting attorneys, defense
27 attorneys, and community corrections providers. The funds may be

1 used in connection with other federal, state, and local funding
2 sources.

3 (2) From the funds appropriated in part 1, the chief justice
4 shall allocate sufficient funds for the Michigan judicial institute
5 to provide in-state training for those identified in subsection
6 (1), including training for new drug treatment court judges.

7 (3) For drug treatment court grants, consideration for
8 priority may be given to those courts where higher instances of
9 substance abuse cases are filed.

10 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
11 grant funding as an interdepartmental grant from the department of
12 state police to be used for expansion of drug treatment courts, to
13 assist in avoiding prison bed space growth for nonviolent offenders
14 in collaboration with the department of corrections.

15 Sec. 312. From the funds appropriated in part 1, the state
16 court administrator shall produce a statistical report regarding
17 the implementation of the parental rights restoration act, 1990 PA
18 211, MCL 722.901 to 722.908, as it pertains to minors seeking
19 court-issued waivers of parental consent. The state court
20 administrative office shall report the total number of petitions
21 filed and the total number of petitions granted under that act.

22 Sec. 317. Funds appropriated in part 1 shall not be used for
23 the permanent assignment of state-owned vehicles to justices or
24 judges or any other judicial branch employee. This section does not
25 preclude the use of state-owned motor pool vehicles for state
26 business in accordance with approved guidelines.

27 Sec. 320. (1) From the funds appropriated in part 1 for the

1 swift and sure sanctions program, created under section 3 of
2 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL
3 771A.3, the state court administrative office shall administer a
4 program to distribute grants to qualifying courts in accordance
5 with the objectives and requirements of the probation swift and
6 sure sanctions act, chapter XIA of the code of criminal procedure,
7 1927 PA 175, MCL 771A.1 to 771A.8. Of the \$4,000,000.00 designated
8 for the program, not more than \$100,000.00 shall be available to
9 the state court administrative office to pay for employee costs
10 associated with the administration of the program funds. Of the
11 funds designated for the program, \$500,000.00 is reserved for
12 programs in counties that had more than 325 individuals sentenced
13 to prison in the previous calendar year. Courts interested in
14 participating in the swift and sure sanctions program may apply to
15 the state court administrative office for a portion of the funds
16 appropriated in part 1 under this section.

17 (2) By April 1, the state court administrative office shall
18 provide a report on the courts that receive funding under the swift
19 and sure sanctions program described in subsection (1) to the
20 senate and house appropriations subcommittees on judiciary, the
21 senate and house fiscal agencies, and the state budget director.
22 The report shall include all of the following:

23 (a) The number of offenders who participate in the program.

24 (b) The criminal history of offenders who participate in the
25 program.

26 (c) The recidivism rate of offenders who participate in the
27 program, including the rate of return to jail, prison, or both.

1 (d) A detailed description of the establishment and parameters
2 of the program.

3 (3) As used in this section, "program" means a swift and sure
4 sanctions program described in subsection (1).

5 Sec. 321. From the funds appropriated in part 1, the judicial
6 branch shall support a statewide legal self-help Internet website
7 and local nonprofit self-help centers that use the statewide
8 website to provide assistance to individuals representing
9 themselves in civil legal proceedings. The state court
10 administrative office shall summarize the costs of maintaining the
11 website, provide statistics on the number of people visiting the
12 website, and provide information on content usage, form completion,
13 and user feedback. By March 1, the state court administrative
14 office shall report this information for the preceding fiscal year
15 to the senate and house appropriations subcommittees on judiciary,
16 the senate and house fiscal agencies, and the state budget
17 director.

18 Sec. 322. If Byrne formula grant funding is awarded to the
19 state appellate defender, the state appellate defender office may
20 receive and expend Byrne formula grant funds in an amount not to
21 exceed \$250,000.00 as an interdepartmental grant from the
22 department of state police. If the appellate defender appointed
23 under section 3 of the appellate defender act, 1978 PA 620, MCL
24 780.713, receives federal grant funding from the United States
25 Department of Justice in excess of the amount appropriated in part
26 1, the office of appellate defender may receive and expend grant
27 funds in an amount not to exceed \$300,000.00 as other federal

1 grants.

2 Sec. 322a. If Byrne formula grant funding is awarded to the
3 Michigan indigent defense commission, the Michigan indigent defense
4 commission may receive and expend Byrne formula grant funds in an
5 amount not to exceed \$250,000.00 as an interdepartmental grant from
6 the department of state police. The Michigan indigent defense
7 commission, created under section 5 of the Michigan indigent
8 defense commission act, 2013 PA 93, MCL 780.985, may receive and
9 expend federal grant funding from the United States Department of
10 Justice in an amount not to exceed \$300,000.00 as other federal
11 grants.

12 Sec. 323. The state court administrative office shall provide
13 courts with a quarterly listing of out-of-state placements of
14 juveniles by each court. The state court administrative office
15 shall also provide each judge who hears juvenile matters with the
16 annual listing of per diem costs of the public and private
17 residential care facilities located or doing business in this
18 state, and the recidivism data for each facility, if available, as
19 provided by the department of health and human services. The courts
20 shall acknowledge receipt of this information.

21 Sec. 324. (1) From the increased funds appropriated in part 1
22 for the Michigan indigent defense commission, the commission shall
23 increase the total number of staff and begin bringing the Michigan
24 criminal defense system into compliance with the right to counsel
25 requirements of amendment VI of the constitution of the United
26 States and section 20 of article I of the state constitution of
27 1963. The purpose of this program expansion is to implement minimum

1 standards, rules, and procedures to guarantee the right of indigent
2 defendants to the assistance of proficient counsel, collect
3 comprehensive data from all indigent defense systems and attorneys
4 providing indigent defense, and monitor and audit county compliance
5 plans.

6 (2) The commission shall identify specific outcomes and
7 performance measures for this initiative based on the minimum
8 standards approved by the supreme court, including, but not limited
9 to, the following:

10 (a) Monitoring the success of approved minimum standards,
11 including increased training and education of trial-level defense
12 attorneys, prompt meetings between attorneys and clients, increased
13 access to and use of experts and investigators, and increased use
14 of counsel at first appearance.

15 (b) The commission shall collect data on the standards
16 approved by the supreme court and shall work to identify metrics
17 associated with the improved standards.

18 (c) Monitoring the number of first-time offenders sentenced to
19 serve prison time within the department of corrections to determine
20 if there is a measurable decline as a result of the standards
21 approved by the supreme court, including training and education
22 requirements, required meetings between client and counsel,
23 increased use of experts and investigators, and the provision of
24 attorneys at first appearance.

25 Sec. 325. From the funds appropriated in part 1, the Michigan
26 indigent defense commission shall submit a report by September 30
27 to the senate and house appropriations subcommittees on judiciary,

1 the senate and house fiscal agencies, and the state budget director
2 on the incremental costs associated with the standard development
3 process, the compliance plan process, and the collection of data
4 from all indigent defense systems and attorneys providing indigent
5 defense. Particular emphasis shall be placed on those costs that
6 may be avoided after standards are developed and compliance plans
7 are in place.

8 **ONE-TIME APPROPRIATIONS**

9 Sec. 401. From the funds appropriated in part 1 for drug
10 treatment courts, the judiciary shall increase funding available
11 for establishing problem-solving courts. The purpose of this
12 program expansion is to increase the number of participants and to
13 decrease recidivism rates.

14 Sec. 402. (1) The state appellate defender office attorneys
15 and support staff shall increase to ensure Michigan compliance with
16 Montgomery v Louisiana, 577 US ____ (2016). The purpose of the
17 program expansion is to ensure competent, resourced, and supervised
18 counsel in cases involving the resentencing of juvenile lifers. The
19 representation by SADO counsel will create opportunities for
20 release, saving prison costs for the state.

21 (2) From the funds appropriated in part 1, the state appellate
22 defender office shall submit a report by September 30 to the senate
23 and house appropriations subcommittees on judiciary, the senate and
24 house fiscal agencies, and the state budget director on the number
25 of juvenile lifer cases investigated and prepared by the state
26 appellate defender office. The report shall include a calculation

1 of hours spent and focus on incremental costs associated with
2 investigating and conducting a robust examination of each case,
3 with particular emphasis on those costs that may be avoided after
4 the cases have been disposed.

5 Sec. 403. From the funds appropriated in part 1 for the
6 medication-assisted treatment pilot, the judiciary shall establish
7 a medication-assisted treatment pilot program to provide treatment
8 for opioid-addicted and alcohol-addicted individuals who are
9 referred to and voluntarily participate in the medication-assisted
10 treatment pilot program.

11 PART 2A

12 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

13 FOR FISCAL YEAR 2017-2018

14 GENERAL SECTIONS

15 Sec. 1201. It is the intent of the legislature to provide
16 appropriations for the fiscal year ending on September 30, 2018 for
17 the line items listed in part 1. The fiscal year 2017-2018
18 appropriations are anticipated to be the same as those for fiscal
19 year 2016-2017, except that the line items will be adjusted for
20 changes in caseload and related costs, federal fund match rates,
21 economic factors, and available revenue. These adjustments will be
22 determined after the January 2017 consensus revenue estimating
23 conference.

ARTICLE XIII

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of
licensing and regulatory affairs for the fiscal year ending
September 30, 2017, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 57.5

Full-time equated classified positions..... 2,170.3

GROSS APPROPRIATION..... \$ 418,062,400

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 46,923,800

ADJUSTED GROSS APPROPRIATION..... \$ 371,138,600

Federal revenues:

Total federal revenues..... 63,818,100

Special revenue funds:

Total local revenues..... 251,600

Total private revenues..... 111,800

Total other state restricted revenues..... 263,236,000

State general fund/general purpose 43,721,100

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose 40,321,100

One-time state general fund/general

1	purpose	3,400,000	
2	Sec. 102. DEPARTMENTAL ADMINISTRATION		
3	Full-time equated unclassified positions.....	57.5	
4	Full-time equated classified positions.....	108.0	
5	Unclassified salaries--57.5 FTE positions		\$ 4,861,800
6	Executive director programs--24.0 FTE positions		3,239,700
7	Financial and administrative services--77.0 FTE		
8	positions		8,634,300
9	Office for new Americans--4.0 FTE positions		465,600
10	FOIA coordination--2.0 FTE positions		308,200
11	Local community stabilization authority--1.0 FTE		
12	position		151,600
13	Property management		11,852,400
14	Information technology services and projects		21,424,300
15	Worker's compensation		<u>465,300</u>
16	GROSS APPROPRIATION		\$ 51,403,200
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG-DIFS, accounting services		150,000
20	IDG-TED unemployment hearings		568,900
21	Federal revenues:		
22	DED-vocational rehabilitation and independent living .		2,121,500
23	DOE-heating oil and propane		25,000
24	DOL-occupational safety and health		1,001,100
25	EPA-underground storage tanks		128,800
26	HHS-Medicaid, certification of health care providers		
27	and suppliers		724,600

1	HHS-Medicare, certification of health care providers	
2	and suppliers	1,190,400
3	Special revenue funds:	
4	Local stabilization authority contract	151,600
5	Aboveground storage tank fees	146,500
6	Accountancy enforcement fund	67,100
7	Asbestos abatement fund	182,400
8	Boiler inspection fund	643,400
9	Builder enforcement fund	99,500
10	Construction code fund	1,676,600
11	Corporation fees	8,713,000
12	Elevator fees	697,400
13	Fire alarm fees	5,400
14	Fire safety standard and enforcement fund	1,100
15	Fire service fees	778,300
16	Fireworks safety fund	94,100
17	Health professions regulatory fund	2,736,000
18	Health systems fees	454,700
19	Licensing and regulation fund	3,122,900
20	Liquor license revenue	300,000
21	Liquor purchase revolving fund	7,187,800
22	Michigan medical marihuana fund	934,500
23	Michigan unarmed combat fund	12,700
24	Mobile home code fund	616,100
25	Nurse professional fund	37,700
26	PMECSEMA fund	221,600
27	Private occupational school license fees	165,700

1	Property development fees.....	6,100
2	Public utility assessments.....	4,088,100
3	Radiological health fees.....	304,200
4	Real estate appraiser education fund.....	6,300
5	Real estate education fund.....	15,200
6	Real estate enforcement fund.....	10,100
7	Restructuring mechanism assessments.....	51,000
8	Retired engineers technical assistance program fund..	7,000
9	Safety education and training fund.....	1,442,300
10	Second injury fund.....	407,300
11	Securities fees.....	4,723,700
12	Securities investor education and training fund.....	14,500
13	Security business fund.....	3,200
14	Self-insurers security fund.....	263,500
15	Silicosis and dust disease fund.....	182,200
16	Survey and remonumentation fund.....	142,200
17	Tax tribunal fund.....	1,656,900
18	Underground storage tank fees.....	356,600
19	Utility consumer representation fund.....	54,000
20	Worker's compensation administrative revolving fund..	101,900
21	State general fund/general purpose.....	\$ 2,610,500
22	Sec. 103. ENERGY AND UTILITY PROGRAMS	
23	Full-time equated classified positions.....	187.0
24	Michigan agency for energy--55.0 FTE positions.....	\$ 12,516,000
25	Public service commission--132.0 FTE positions.....	<u>22,395,500</u>
26	GROSS APPROPRIATION.....	\$ 34,911,500
27	Appropriated from:	

1	Federal revenues:		
2	DOE-heating oil and propane.....		3,775,000
3	DOT-gas pipeline safety.....		1,445,500
4	EPA-pollution prevention.....		84,000
5	Special revenue funds:		
6	Public utility assessments.....		27,773,600
7	Restructuring mechanism assessments.....		607,200
8	Retired engineers technical assistance program fund..		669,600
9	State general fund/general purpose.....	\$	556,600
10	Sec. 104. LIQUOR CONTROL COMMISSION		
11	Full-time equated classified positions.....	143.0	
12	Management support services--28.0 FTE positions.....	\$	4,419,800
13	Liquor licensing and enforcement--115.0 FTE positions		<u>15,320,100</u>
14	GROSS APPROPRIATION.....	\$	19,739,900
15	Appropriated from:		
16	Special revenue funds:		
17	Direct shipper enforcement revolving fund.....		126,800
18	Liquor license fee enhancement fund.....		76,400
19	Liquor license revenue.....		7,416,100
20	Liquor purchase revolving fund.....		12,120,600
21	State general fund/general purpose.....	\$	0
22	Sec. 105. OCCUPATIONAL REGULATION		
23	Full-time equated classified positions.....	1,031.9	
24	Bureau of fire services--78.0 FTE positions.....	\$	11,143,500
25	Bureau of construction codes--176.0 FTE positions....		22,081,800
26	Corporations, securities, and commercial licensing		
27	bureau--118.0 FTE positions		15,528,300

1	Bureau of community and health systems--429.9 FTE	
2	positions	61,112,000
3	Medical marihuana program--20.0 FTE positions	4,253,300
4	Bureau of professional licensing--210.0 FTE positions	<u>40,182,300</u>
5	GROSS APPROPRIATION.....	\$ 154,301,200
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG-MDE, child care licensing.....	16,626,500
9	Federal revenues:	
10	DHS-fire training systems.....	28,000
11	DOT-hazardous materials training and planning.....	60,000
12	EPA-underground storage tanks.....	800,000
13	HHS-Medicaid, certification of health care providers	
14	and suppliers	9,191,700
15	HHS-Medicare, certification of health care providers	
16	and suppliers	12,352,500
17	Special revenue funds:	
18	Aboveground storage tank fees.....	455,900
19	Accountancy enforcement fund.....	408,300
20	Boiler inspection fund.....	3,819,200
21	Builder enforcement fund.....	484,300
22	Construction code fund.....	7,743,900
23	Corporation fees.....	7,014,000
24	Distance education fund.....	300,000
25	Elevator fees.....	4,858,300
26	Fire alarm fees.....	125,400
27	Fire safety standard and enforcement fund.....	40,000

1	Fire service fees.....	2,500,200
2	Fireworks safety fund.....	696,200
3	Health professions regulatory fund.....	23,805,900
4	Health systems fees.....	3,702,100
5	Licensing and regulation fund.....	11,540,800
6	Liquor purchase revolving fund.....	143,200
7	Michigan medical marihuana fund.....	4,253,300
8	Michigan unarmed combat fund.....	145,000
9	Mobile home code fund.....	3,017,100
10	Nurse professional fund.....	1,963,800
11	Nursing home administrative penalties.....	202,300
12	PMECSEMA fund.....	1,847,700
13	Private occupational school license fees.....	706,300
14	Property development fees.....	318,100
15	Real estate appraiser education fund.....	64,000
16	Real estate education fund.....	343,900
17	Real estate enforcement fund.....	704,400
18	Securities fees.....	4,982,800
19	Securities investor education and training fund.....	501,200
20	Security business fund.....	340,100
21	Survey and remonumentation fund.....	850,100
22	Underground storage tank fees.....	2,561,100
23	State general fund/general purpose.....	\$ 24,803,600
24	Sec. 106. EMPLOYMENT SERVICES	
25	Full-time equated classified positions.....	464.4
26	Workers' compensation agency--56.0 FTE positions.....	\$ 7,832,200
27	Insurance funds administration--23.0 FTE positions...	5,240,200

1	Compensation supplement fund.....	1,820,000
2	Bureau of services for blind persons--113.0 FTE	
3	positions	24,639,400
4	Bureau of employment relations--22.0 FTE positions ...	4,198,900
5	Michigan occupational safety and health	
6	administration--197.0 FTE positions.....	29,052,100
7	Radiation safety section--21.4 FTE positions	3,231,800
8	Wage and hour program--32.0 FTE positions	<u>3,728,100</u>
9	GROSS APPROPRIATION.....	\$ 79,742,700
10	Appropriated from:	
11	Federal revenues:	
12	DED-vocational rehabilitation and independent living .	18,437,600
13	DOL-occupational safety and health.....	11,785,200
14	HHS-mammography quality standards	513,300
15	Special revenue funds:	
16	Local revenues - blind services	100,000
17	Private revenues - blind services	111,800
18	Asbestos abatement fund.....	1,027,500
19	Corporation fees.....	9,432,400
20	Michigan business enterprise program fund.....	400,000
21	Radiological health fees.....	2,718,500
22	Safety education and training fund.....	9,728,600
23	Second injury fund.....	2,589,400
24	Securities fees.....	8,634,900
25	Self-insurers security fund.....	1,562,500
26	Silicosis and dust disease fund.....	1,088,300
27	Worker's compensation administrative revolving fund..	1,652,900

1	State general fund/general purpose	\$	9,959,800
2	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM		
3	Full-time equated classified positions	233.0	
4	Michigan administrative hearing system--215.0 FTE		
5	positions	\$	37,948,700
6	Michigan compensation appellate commission--18.0 FTE		
7	positions		<u>4,606,100</u>
8	GROSS APPROPRIATION	\$	42,554,800
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG-TED unemployment hearings		4,268,500
12	IDG revenues - administrative hearings and rules		25,309,900
13	Federal revenues:		
14	Federal revenues - administrative hearings and rules .		153,900
15	Special revenue funds:		
16	Corporation fees		202,700
17	State restricted revenue - administrative hearings		
18	and rules		11,793,400
19	Worker's compensation administrative revolving fund ..		134,900
20	State general fund/general purpose	\$	691,500
21	Sec. 108. ETHNIC COMMISSIONS		
22	Full-time equated classified positions	3.0	
23	Hispanic/Latino commission of Michigan--1.0 FTE		
24	position	\$	261,000
25	Asian Pacific American affairs commission--1.0 FTE		
26	position		112,400
27	Commission on Middle Eastern American affairs--1.0		

1	FTE position	<u>100,000</u>
2	GROSS APPROPRIATION.....	\$ 473,400
3	Appropriated from:	
4	Special revenue funds:	
5	State general fund/general purpose	\$ 473,400
6	Sec. 109. DEPARTMENT GRANTS	
7	Fire protection grants.....	\$ 9,273,900
8	Firefighter training grants.....	2,000,000
9	Liquor law enforcement grants.....	7,200,000
10	Medical marihuana operation and oversight grants	3,000,000
11	Remonumentation grants.....	7,300,000
12	Subregional libraries state aid.....	451,800
13	Utility consumer representation fund.....	<u>750,000</u>
14	GROSS APPROPRIATION.....	\$ 29,975,700
15	Appropriated from:	
16	Special revenue funds:	
17	Fire protection fund.....	8,500,000
18	Fireworks safety fund.....	2,000,000
19	Liquor license revenue.....	7,200,000
20	Michigan medical marihuana fund.....	3,000,000
21	Survey and remonumentation fund.....	7,300,000
22	Utility consumer representation fund.....	750,000
23	State general fund/general purpose	\$ 1,225,700
24	Sec. 110. ONE-TIME BASIS ONLY	
25	Fire protection grants enhancement - one-time	\$ 3,400,000
26	Liquor control commission IT upgrades	<u>1,560,000</u>
27	GROSS APPROPRIATION.....	\$ 4,960,000

1	Appropriated from:	
2	Special revenue funds:	
3	Liquor purchase revolving fund.....	1,560,000
4	State general fund/general purpose.....	\$ 3,400,000

5 PART 2

6 PROVISIONS CONCERNING APPROPRIATIONS

7 FOR FISCAL YEAR 2016-2017

8 **GENERAL SECTIONS**

9 Sec. 201. Pursuant to section 30 of article IX of the state

10 constitution of 1963, total state spending from state resources

11 under part 1 for fiscal year 2016-2017 is \$306,957,100.00 and state

12 spending from state resources to be paid to local units of

13 government for fiscal year 2016-2017 is \$32,625,700.00. The

14 itemized statement below identifies appropriations from which

15 spending to local units of government will occur:

16 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

17	Fire protection grants.....	\$ 9,273,900
18	Firefighter training grants.....	2,000,000
19	Liquor law enforcement grants.....	7,200,000
20	Medical marihuana operation and oversight grants.....	3,000,000
21	Remonumentation grants.....	7,300,000
22	Subregional libraries state aid.....	451,800
23	Fire protection grants enhancement one-time.....	<u>3,400,000</u>
24	Total department of licensing and regulatory	
25	affairs	\$ 32,625,700

1 Sec. 202. The appropriations authorized under this part and
2 part 1 are subject to the management and budget act, 1984 PA 431,
3 MCL 18.1101 to 18.1594.

4 Sec. 203. As used in this part and part 1:

5 (a) "DED" means the United States Department of Education.

6 (b) "Department" means the department of licensing and
7 regulatory affairs.

8 (c) "DHHS" means the Michigan department of health and human
9 services.

10 (d) "DHS" means the United States Department of Homeland
11 Security.

12 (e) "DIFS" means the department of insurance and financial
13 services.

14 (f) "Director" means the director of the department.

15 (g) "DOE" means the United States Department of Energy.

16 (h) "DOL" means the United States Department of Labor.

17 (i) "DOT" means the United States Department of
18 Transportation.

19 (j) "EPA" means the United States Environmental Protection
20 Agency.

21 (k) "Fiscal agencies" means Michigan house fiscal agency and
22 Michigan senate fiscal agency.

23 (l) "FOIA" means the freedom of information act, 1976 PA 442,
24 MCL 15.231 to 15.246.

25 (m) "FTE" means full-time equated.

26 (n) "HHS" means the United States Department of Health and
27 Human Services.

1 (o) "IDG" means interdepartmental grant.

2 (p) "IT" means information technology.

3 (q) "MDE" means the Michigan department of education.

4 (r) "PMECSEMA" means pain management education and controlled
5 substances electronic monitoring and antidiversion.

6 (s) "Subcommittees" means the subcommittees of the house and
7 senate appropriations committees with jurisdiction over the budget
8 for the department.

9 (t) "TED" means the Michigan department of talent and economic
10 development.

11 Sec. 204. The departments and agencies receiving
12 appropriations in this part and part 1 shall use the Internet to
13 fulfill the reporting requirements of this part. This requirement
14 may include transmission of reports via electronic mail to the
15 recipients identified for each reporting requirement, or it may
16 include placement of reports on an Internet or Intranet site.

17 Sec. 205. Funds appropriated in this part and part 1 shall not
18 be used for the purchase of foreign goods or services, or both, if
19 competitively priced and of comparable quality American goods or
20 services, or both, are available. Preference shall be given to
21 goods or services, or both, manufactured or provided by Michigan
22 businesses, if they are competitively priced and of comparable
23 quality. In addition, preference shall be given to goods or
24 services, or both, that are manufactured or provided by Michigan
25 businesses owned and operated by veterans, if they are
26 competitively priced and of comparable quality.

27 Sec. 206. The director shall take all reasonable steps to

1 ensure businesses in deprived and depressed communities compete for
2 and perform contracts to provide services or supplies, or both. The
3 director shall strongly encourage firms with which the department
4 contracts to subcontract with certified businesses in depressed and
5 deprived communities for services, supplies, or both.

6 Sec. 207. (1) Out-of-state travel shall be limited to
7 situations in which 1 or more of the following conditions apply:

8 (a) The travel is required by legal mandate or court order or
9 for law enforcement purposes.

10 (b) The travel is necessary to protect the health or safety of
11 Michigan citizens or visitors or to assist other states in similar
12 circumstances.

13 (c) The travel is necessary to produce budgetary savings or to
14 increase state revenues, including protecting existing federal
15 funds or securing additional federal funds.

16 (d) The travel is necessary to comply with federal
17 requirements.

18 (e) The travel is necessary to secure specialized training for
19 staff that is not available within this state.

20 (f) The travel is financed entirely by federal or nonstate
21 funds.

22 (2) The department shall not approve the travel of more than 1
23 departmental employee to a specific professional development
24 conference or training seminar that is located outside of this
25 state unless a professional development conference or training
26 seminar is funded by a federal or private funding source and
27 requires more than 1 person from a department to attend, or the

1 conference or training seminar includes multiple issues in which 1
2 employee from the department does not have expertise.

3 (3) Not later than January 1, each department shall prepare a
4 travel report listing all travel by classified and unclassified
5 employees outside this state in the immediately preceding fiscal
6 year that was funded in whole or in part with funds appropriated in
7 the department's budget. The report shall be submitted to the house
8 and senate appropriations committees, the fiscal agencies, and the
9 state budget director. The report shall include all of the
10 following information:

11 (a) The name of each person receiving reimbursement for travel
12 outside this state or whose travel costs were paid by this state.

13 (b) The destination of each travel occurrence.

14 (c) The dates of each travel occurrence.

15 (d) A brief statement of the reason for each travel
16 occurrence.

17 (e) The transportation and related costs of each travel
18 occurrence, including the proportion funded with state general
19 fund/general purpose revenues, the proportion funded with state
20 restricted revenues, the proportion funded with federal revenues,
21 and the proportion funded with other revenues.

22 (f) A total of all out-of-state travel funded for the
23 immediately preceding fiscal year.

24 Sec. 208. Funds appropriated in this part and part 1 shall not
25 be used by a principal executive department, state agency, or
26 authority to hire a person to provide legal services that are the
27 responsibility of the attorney general. This prohibition does not

1 apply to legal services for bonding activities and for those
2 outside services that the attorney general authorizes.

3 Sec. 209. Not later than November 30, the state budget office
4 shall prepare and transmit a report that provides for estimates of
5 the total general fund/general purpose appropriation lapses at the
6 close of the prior fiscal year. This report shall summarize the
7 projected year-end general fund/general purpose appropriation
8 lapses by major departmental program or program areas. The report
9 shall be transmitted to the chairpersons of the senate and house
10 appropriations committees and the fiscal agencies.

11 Sec. 210. (1) In addition to the funds appropriated in part 1,
12 there is appropriated an amount not to exceed \$10,000,000.00 for
13 federal contingency funds.

14 (2) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$25,000,000.00 for state
16 restricted contingency funds.

17 (3) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$1,000,000.00 for local
19 contingency funds.

20 (4) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$500,000.00 for private
22 contingency funds.

23 (5) Funds appropriated pursuant to this section are not
24 available for expenditure until they have been transferred to
25 another line item in part 1 under section 393(2) of the management
26 and budget act, 1984 PA 431, MCL 18.1393.

27 Sec. 211. The department shall cooperate with the department

1 of technology, management, and budget to maintain a searchable
2 website accessible by the public at no cost that includes, but is
3 not limited to, all of the following for each department or agency:

4 (a) Fiscal year-to-date expenditures by category.

5 (b) Fiscal year-to-date expenditures by appropriation unit.

6 (c) Fiscal year-to-date payments to a selected vendor,
7 including the vendor name, payment date, payment amount, and
8 payment description.

9 (d) The number of active department employees by job
10 classification.

11 (e) Job specifications and wage rates.

12 Sec. 212. Within 14 days after the release of the executive
13 budget recommendation, the department shall cooperate with the
14 state budget office to provide the senate and house appropriations
15 chairs, the subcommittees chairs, and the fiscal agencies with an
16 annual report on estimated state restricted fund balances, state
17 restricted fund projected revenues, and state restricted fund
18 expenditures for the preceding and current fiscal years.

19 Sec. 213. The department shall maintain, on a publicly
20 accessible website, a department scorecard that identifies, tracks,
21 and regularly updates key metrics that are used to monitor and
22 improve the department's performance.

23 Sec. 214. Total authorized appropriations from all sources
24 under part 1 for legacy costs for the fiscal year ending September
25 30, 2017 are \$53,627,900.00. From this amount, total agency
26 appropriations for pension-related legacy costs are estimated at
27 \$29,735,200.00. Total agency appropriations for retiree health care

1 legacy costs are estimated at \$23,892,700.00.

2 Sec. 215. Unless prohibited by law, the department may accept
3 credit card or other electronic means of payment for licenses,
4 fees, or permits.

5 Sec. 217. The department and agencies receiving appropriations
6 in this part and part 1 shall receive and retain copies of all
7 reports funded from appropriations in this part and part 1. Federal
8 and state guidelines for short-term and long-term retention of
9 records shall be followed. The department may electronically retain
10 copies or reports unless otherwise required by federal and state
11 guidelines.

12 Sec. 218. The department shall not take disciplinary action
13 against an employee for communicating with a member of the
14 legislature or his or her staff.

15 Sec. 219. The department shall not develop or produce any
16 television or radio productions.

17 Sec. 220. The department, in conjunction with the department
18 of health and human services, shall maintain an accounting
19 structure within the Michigan administrative information network
20 that will allow expenditures associated with the administration of
21 the Healthy Michigan plan to be identified. By October 1, if there
22 are changes from the previous fiscal year, the department shall
23 provide the state budget office and the fiscal agencies with the
24 relevant accounting structure and associated business objects
25 script and report that group's administrative costs.

26 Sec. 221. The department may carry into the succeeding fiscal
27 year unexpended federal pass-through funds to local institutions

1 and governments that do not require additional state matching
2 funds. Federal pass-through funds to local institutions and
3 governments that are received in amounts in addition to those
4 included in part 1 and that do not require additional state
5 matching funds are appropriated for the purposes intended. Within
6 14 days after the receipt of federal pass-through funds, the
7 department shall notify the house and senate chairpersons of the
8 subcommittees, the fiscal agencies, and the state budget director
9 of pass-through funds appropriated under this section.

10 Sec. 222. (1) Grants supported with private revenues received
11 by the department are appropriated upon receipt and are available
12 for expenditure by the department, subject to subsection (3), for
13 purposes specified within the grant agreement and as permitted
14 under state and federal law.

15 (2) Within 10 days after the receipt of a private grant
16 appropriated in subsection (1), the department shall notify the
17 house and senate chairpersons of the subcommittees, the fiscal
18 agencies, and the state budget director of the receipt of the
19 grant, including the fund source, purpose, and amount of the grant.

20 (3) The amount appropriated under subsection (1) shall not
21 exceed \$1,500,000.00.

22 Sec. 223. (1) The department may charge registration fees to
23 attendees of informational, training, or special events sponsored
24 by the department.

25 (2) These fees shall reflect the costs for the department to
26 sponsor the informational, training, or special events.

27 (3) Revenue generated by the registration fees is appropriated

1 upon receipt and available for expenditure to cover the
2 department's costs of sponsoring informational, training, or
3 special events.

4 (4) Revenue generated by registration fees in excess of the
5 department's costs of sponsoring informational, training, or
6 special events shall carry forward to the subsequent fiscal year
7 and not lapse to the general fund.

8 (5) The amount appropriated under subsection (3) shall not
9 exceed \$500,000.00.

10 Sec. 224. The department may make available to interested
11 entities otherwise unavailable customized listings of
12 nonconfidential information in its possession, such as names and
13 addresses of licensees. The department may establish and collect a
14 reasonable charge to provide this service. The revenue received
15 from this service is appropriated when received and shall be used
16 to offset expenses to provide the service. Any balance of this
17 revenue collected and unexpended at the end of the fiscal year
18 shall lapse to the appropriate restricted fund.

19 Sec. 225. (1) The department shall sell documents at a price
20 not to exceed the cost of production and distribution. Money
21 received from the sale of these documents shall revert to the
22 department. In addition to the funds appropriated in part 1, these
23 funds are available for expenditure when they are received by the
24 department of treasury. This subsection applies only for the
25 following documents:

26 (a) Corporation and securities division documents, reports,
27 and papers required or permitted by law pursuant to section 1060(5)

1 of the business corporation act, 1972 PA 284, MCL 450.2060.

2 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
3 436.1101 to 436.2303.

4 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
5 to 125.2350; the business corporation act, 1972 PA 284, MCL
6 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
7 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
8 2008 PA 551, MCL 451.2101 to 451.2703.

9 (d) Worker's compensation health care services rules.

10 (e) Construction code manuals.

11 (f) Copies of transcripts from administrative law hearings.

12 (2) In addition to the funds appropriated in part 1, funds
13 appropriated for the department under sections 55, 57, 58, and 59
14 of the administrative procedures act of 1969, 1969 PA 306, MCL
15 24.255, 24.257, 24.258, and 24.259, and section 203 of the
16 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated
17 for all expenses necessary to provide for the cost of publication
18 and distribution.

19 (3) Unexpended funds at the end of the fiscal year shall carry
20 forward to the subsequent fiscal year and not lapse to the general
21 fund.

22 Sec. 226. (1) No later than March 1, the department shall
23 submit a report to the subcommittees and fiscal agencies pertaining
24 to licensing and regulatory programs during the previous fiscal
25 year for the following agencies:

26 (a) Public service commission.

27 (b) Liquor control commission.

1 (c) Bureau of fire services.

2 (d) Bureau of construction codes.

3 (e) Corporations, securities, and commercial licensing bureau.

4 (f) Bureau of professional licensing.

5 (g) Bureau of community and health systems.

6 (h) Michigan occupational safety and health administration.

7 (2) The report shall be in a format that is consistent between
8 the agencies listed in subsection (1) and shall provide, but is not
9 limited to, the following information, as applicable, for each
10 agency in subsection (1):

11 (a) Revenue generated by and expenditures disbursed for each
12 regulatory product.

13 (b) Number of applications, both initial and renewal, for each
14 regulatory product.

15 (c) Number of applications, both initial and renewal, approved
16 for each regulatory product.

17 (d) Number of applications, both initial and renewal, denied
18 for each regulatory product.

19 (e) Average amount of time, both tolled and untolled, to
20 approve or deny applications, both initial and renewal, for each
21 regulatory product.

22 (f) Number of examinations proctored for initial applications
23 for each regulatory product.

24 (g) Number of complaints received pertaining to each regulated
25 activity.

26 (h) Number of investigations opened pertaining to each
27 regulated activity.

1 (i) Number of investigations closed pertaining to each
2 regulated activity.

3 (j) Average amount of time to close investigations pertaining
4 to each regulated activity.

5 (k) Number of enforcement actions pertaining to each regulated
6 activity.

7 (l) Number of administrative hearings pertaining to each
8 regulated activity.

9 (m) Number of administrative hearing adjudications pertaining
10 to each regulated activity.

11 (n) The type and amount of each fee charged to support each
12 regulated activity.

13 (3) As used in subsection (2), "regulatory product" means
14 licensure, certification, registration, inspection, review,
15 permitting, approval, or any other regulatory service provided by
16 the agencies specified in subsection (1) for each regulated
17 activity. As used in this subsection and subsection (2), "regulated
18 activity" means the particular activities, entities, facilities,
19 and industries regulated by the agencies specified in subsection
20 (1).

21 Sec. 227. It is the intent of the legislature that the
22 department establish an employee performance monitoring process
23 that is consistent throughout the department in addition to current
24 civil service commission evaluations. By April 1, the department
25 shall submit a report to the state budget office, the
26 subcommittees, and the fiscal agencies on changes to the employee
27 performance monitoring process that are planned or implemented.

ENERGY AND UTILITY PROGRAMS

Sec. 301. (1) From the funds appropriated in part 1, the Michigan agency for energy and the Michigan public service commission shall explore policies relating to carbon dioxide capture from industrial sources and the use and sequestration of captured carbon dioxide in enhanced oil recovery that improve our regulatory structure to create an environment that fosters job growth and the utilization of all available energy sources, including, but not limited to, natural gas, petroleum, and crude oil.

(2) By April 1, the Michigan agency for energy shall report to the subcommittees, fiscal agencies, and house and senate standing committees covering energy issues its findings from the exploration under subsection (1).

LIQUOR CONTROL COMMISSION

Sec. 401. The liquor control commission shall utilize funds appropriated from the liquor purchase revolving fund to invest in technology upgrades in an effort to mitigate delays for issuing licenses under section 503 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1503. It is the intent of the legislature that the commission utilize free software to mitigate these delays, if such a product is available.

Sec. 402. The liquor control commission shall expend the funds as required under section 203(10) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and

retailers. The liquor control commission shall provide a report to the legislature and the subcommittees detailing the commission's activities to investigate and audit the illegal shipping of wine and the results of these activities. The report shall also include the estimated loss of sales, excise, and use tax revenue for the state of Michigan as a result of illegal shipments of wine. The report shall be submitted by February 1.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed

Plan review and construction inspection fees for hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the

1 Michigan administrative code and as determined under section 8 of
2 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
3 408.816, that are unexpended at the end of the fiscal year shall
4 carry forward to the subsequent fiscal year.

5 Sec. 503. No later than February 15, the department shall
6 submit a report to the subcommittees, fiscal agencies, and state
7 budget director providing the following information:

8 (a) The number of honorably discharged veterans, individually
9 or if a majority interest of a corporation or limited liability
10 company, that were exempted from paying licensure, registration,
11 filing, or any other fees collected under each licensure or
12 regulatory program administered by the bureau of construction codes
13 and the corporations, securities, and commercial licensing bureau
14 during the preceding fiscal year.

15 (b) The specific fees and total amount of revenue exempted
16 under each licensure or regulatory program administered by the
17 bureau of construction codes and the corporations, securities, and
18 commercial licensing bureau during the preceding fiscal year.

19 (c) The actual costs of providing licensing and other
20 regulatory services to veterans exempted from paying licensure,
21 registration, filing, or any other fees during the preceding fiscal
22 year and a description of how these costs were calculated.

23 (d) The estimated amount of revenue that will be exempted
24 under each licensure or regulatory program administered by the
25 bureau of construction codes and the corporations, securities, and
26 commercial licensing bureau in both the current and subsequent
27 fiscal years and a description of how the exempted revenue was

1 estimated.

2 Sec. 505. (1) Funds remaining in the homeowner construction
3 lien recovery fund are appropriated to the department for payment
4 of court-ordered homeowner construction lien recovery fund
5 judgments entered prior to August 23, 2010. Pursuant to available
6 funds, the payment of final judgments shall be made in the order in
7 which the final judgments were entered and began accruing interest.

8 (2) Not later than April 1, the department shall submit to the
9 subcommittees and fiscal agencies a report on the revenues,
10 expenditures, and balance of the homeowner construction lien
11 recovery fund as of the end of the previous fiscal year.

12 Sec. 507. The department shall submit a report by January 31
13 to the standing committees on appropriations of the senate and
14 house of representatives, the fiscal agencies, and the state budget
15 director that includes all of the following information for the
16 prior fiscal year regarding the medical marihuana program under the
17 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
18 333.26430:

19 (a) The number of initial applications received.

20 (b) The number of initial applications approved and the number
21 of initial applications denied.

22 (c) The average amount of time, from receipt to approval or
23 denial, to process an initial application.

24 (d) The number of renewal applications received.

25 (e) The number of renewal applications approved and the number
26 of renewal applications denied.

27 (f) The average amount of time, from receipt to approval or

1 denial, to process a renewal application.

2 (g) The percentage of initial applications not approved or
3 denied within the time requirements established in section 6 of the
4 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

5 (h) The percentage of renewal applications not approved or
6 denied within the time requirements established in section 6 of the
7 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

8 (i) The percentage of registry cards for approved initial
9 applications not issued within the time requirements established in
10 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
11 333.26426.

12 (j) The percentage of registry cards for approved renewal
13 applications not issued within the time requirements established in
14 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
15 333.26426.

16 (k) The number of registry identification cards issued to or
17 renewed for patients residing in each county as of September 30 of
18 the preceding fiscal year under the Michigan medical marihuana act,
19 2008 IL 1, MCL 333.26421 to 333.26430.

20 (l) The amount collected from the medical marihuana program
21 application and renewal fees authorized in section 5 of the
22 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

23 (m) The costs of administering the medical marihuana program
24 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
25 to 333.26430.

26 Sec. 508. If the revenue collected by the department for
27 health systems administration or radiological health administration

1 and projects from fees and collections exceeds the amount
2 appropriated in part 1, the revenue may be carried forward into the
3 subsequent fiscal year. The revenue carried forward under this
4 section shall be used as the first source of funds in the
5 subsequent fiscal year.

6 Sec. 511. No later than February 1, the department shall
7 submit a report to the subcommittees, fiscal agencies, and state
8 budget director providing the following information:

9 (a) The total amount of reimbursements made to local units of
10 government for delegated inspections of fireworks retail locations
11 pursuant to section 11 of the Michigan fireworks safety act, 2011
12 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
13 bureau of fire services during the preceding fiscal year.

14 (b) The amount of reimbursement for delegated inspections of
15 fireworks retail locations for each local unit of government that
16 received reimbursement from the funds appropriated in part 1 for
17 the bureau of fire services during the preceding fiscal year.

18 Sec. 513. (1) Beginning October 1, for the purpose of
19 defraying the costs associated with responding to false final
20 inspection appointments and to discourage the practice of calling
21 for final inspections when the project is incomplete or
22 noncompliant with a plan of correction previously provided by the
23 bureau of fire services, the bureau of fire services may assess a
24 fee not to exceed \$200.00 for responding to confirmed false
25 inspection appointments. Fees collected under this section shall be
26 deposited into the restricted account referenced by section 2c(2)
27 of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly

1 identified within the Michigan administrative information network.

2 (2) Not later than September 30, the department shall prepare
3 a report that provides the amount of the fee assessed under
4 subsection (1), the number of fees assessed and issued per region,
5 the cost allocation for the work performed and reduced as a result
6 of this section, and any recommendations for consideration by the
7 legislature. The department shall submit this information to the
8 state budget director, the subcommittees, and the fiscal agencies.

9 Sec. 515. (1) The department shall assess and collect fees in
10 the licensing and regulation of child care organizations, as
11 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
12 care facilities, as described in the adult foster care facility
13 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

14 (2) The department shall report the total amount of fees
15 assessed and collected under subsection (1) during the preceding
16 fiscal year to the fiscal agencies no later than December 1 and
17 shall provide information requested by the fiscal agencies as they
18 consider necessary to shift authorization equivalent to that amount
19 from the general fund/general purpose to a state restricted fund
20 within the department's budget for fiscal year 2017-2018.

21 Sec. 516. (1) It is the intent of the legislature that the
22 department establish a consistent method of performing and tracking
23 inspections of wood products manufacturing facilities.

24 (2) By February 1, the department shall submit a report to the
25 subcommittees and fiscal agencies pertaining to recently conducted
26 inspections that shall contain all of the following regarding wood
27 products manufacturing facilities:

1 (a) The number of on-site MIOSHA inspections conducted during
2 the prior fiscal year.

3 (b) The list of all inspections conducted, including the name
4 and location of each business.

5 (c) The summary of the results of each inspection, including
6 any citations issued.

7 (d) The number of the fatalities in the prior calendar year.

8 (e) The number of occupational injuries and illnesses related
9 to wood products manufacturing in the prior 2 calendar years.

10 (f) The injury and illness rate for the industry as a whole
11 during the prior 2 calendar years.

12 (g) The percentage of MIOSHA inspection cases that had
13 citations from the prior fiscal year.

14 (h) The average number of citations per MIOSHA inspection in
15 the prior fiscal year.

16 (i) The average penalty per MIOSHA inspection for inspections
17 with penalties during the prior fiscal year.

18 Sec. 517. (1) Not later than March 1, the department shall
19 submit a report to the house and senate appropriations committees
20 that includes the following:

21 (a) Items listed in section 519(3).

22 (b) The number of administrative actions against licensees for
23 overprescribing, including the specialty certification and practice
24 location of each prescriber.

25 (c) The number of administrative actions against licensees for
26 overdispensing, including the dispensing location of each
27 dispenser.

1 (d) The number of administrative actions taken against
2 licensees for drug diversion.

3 (e) The number of prescribers who were notified as potentially
4 overprescribing.

5 (f) A description of a plan the department will formulate with
6 DHHS to notify at-risk patients that their prescriber has had his
7 or her license suspended and to have available references for
8 treatment.

9 (2) The department shall provide information on how a
10 prescriber may obtain the most recent federal guidelines for
11 prescribing opioids for chronic pain by the next renewal date for
12 the license issued by the department.

13 Sec. 518. From the amount appropriated in part 1 for the
14 bureau of community and health systems, upon receipt of the order
15 of suspension of a licensed adult foster care home, home for the
16 aged, or nursing home, the department shall serve the facility and
17 provide contemporaneous notice to the offices of legislators
18 representing a district where the licensed facility is situated.

19 Sec. 519. (1) From the funds appropriated in part 1 for the
20 Michigan automated prescription system upgrades, the department
21 shall provide improved efficiencies and functionality of the system
22 for dispensers and prescribers as well as improved reporting
23 capabilities to support safer prescribing practices.

24 (2) In addition to improved reporting capabilities, the
25 department, as permissible by law, will consider releasing
26 statistical and analytical information for statistical, research,
27 or education purposes so long as it does not include or identify

1 patient protected information.

2 (3) The department shall identify and report by November 30 of
3 the subsequent fiscal year to the house and senate appropriations
4 committees specific outcomes and performance metrics for this
5 initiative, including, but not limited to, the following:

6 (a) Prescribers registered to the Michigan automated
7 prescription system.

8 (b) Dispensers registered to the Michigan automated
9 prescription system.

10 (c) Use of the Michigan automated prescription system by
11 prescribers.

12 (d) Use of the Michigan automated prescription system by
13 dispensers.

14 (e) Number of cases related to overprescribing,
15 overdispensing, and drug diversion where the department took
16 administrative action as a result of information and data generated
17 from the Michigan automated prescription system.

18 (f) The number of integrations from the electronic health
19 record systems used by prescribers and dispensers with the Michigan
20 automated prescription system.

21 (g) Recommendations including, but not limited to, both of the
22 following:

23 (i) Benefits of having direct integration from the electronic
24 health record systems used by the prescribers and dispensers to the
25 Michigan automated prescription system.

26 (ii) Cost estimate and funding required for this state to fund
27 the implementation of the integration from the prescribers and

1 dispensers electronic health record systems to the Michigan
2 automated prescription system.

3 **EMPLOYMENT SERVICES**

4 Sec. 704. (1) The appropriation in part 1 for the bureau of
5 services for blind persons includes funds for case services. These
6 funds may be used for tuition payments for blind clients.

7 (2) Revenue collected by the bureau of services for blind
8 persons and from private and local sources that is unexpended at
9 the end of the fiscal year may carry forward to the subsequent
10 fiscal year.

11 Sec. 705. The bureau of services for blind persons shall work
12 collaboratively with service organizations and government entities
13 to identify qualified match dollars to maximize use of available
14 federal vocational rehabilitation funds.

15 Sec. 707. The bureau of services for blind persons may provide
16 and enter into agreements to provide general services, training,
17 meetings, information, special equipment, software, facility use,
18 and technical consulting services to other principal executive
19 departments, state agencies, local units of government, the
20 judicial branch of government, other organizations, and patrons of
21 department facilities. The department may charge fees for these
22 services that are reasonably related to the cost of providing the
23 services. In addition to the funds appropriated in part 1, funds
24 collected by the department for these services are appropriated for
25 all expenses necessary. The funds appropriated under this section
26 are allotted for expenditure when they are received by the

1 department of treasury.

2 **DEPARTMENT GRANTS**

3 Sec. 901. The appropriation in part 1 for fire protection
4 grants shall be appropriated to cities, villages, and townships
5 with state-owned facilities for fire services, instead of taxes, in
6 accordance with 1977 PA 289, MCL 141.951 to 141.956.

7 Sec. 902. (1) The department shall expend the funds
8 appropriated in part 1 for medical marihuana operation and
9 oversight grants for grants to county law enforcement offices for
10 the operation and oversight of the Michigan medical marihuana
11 program pursuant to section 6(1) of the Michigan medical marihuana
12 act, 2008 IL 1, MCL 333.26426. These grants shall be distributed
13 proportionately based on the number of registry identification
14 cards issued to or renewed for the residents of each county whose
15 county law enforcement office applied for a grant under subsection
16 (2). For the purposes of this subsection, operation and oversight
17 grants are for education, communication, and enforcement of the
18 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
19 333.26430.

20 (2) No later than December 1, the department shall post a
21 listing of potential grant money available to each county law
22 enforcement agency on its website. In addition, the department
23 shall work collaboratively with county law enforcement agencies,
24 the Michigan Sheriff's Association, and other representative law
25 enforcement organizations regarding the availability of these grant
26 funds. A county law enforcement agency requesting a grant shall

1 apply on a form developed by the department and available on the
2 website. The form shall contain the county law enforcement agency's
3 specific projected plan for use of the money and its agreement to
4 maintain all records and to submit documentation to the department
5 to support the use of the grant money.

6 (3) In order to be eligible to receive a grant under
7 subsection (1), a county law enforcement agency shall apply no
8 later than January 1 and agree to report how the grant was expended
9 and provide that report to the department no later than September
10 15. The department shall submit a report no later than October 15
11 of the subsequent fiscal year to the state budget director, the
12 subcommittees, and the fiscal agencies detailing the grant amounts
13 by recipient and the reported uses of the grants in the preceding
14 fiscal year.

15 (4) County law enforcement agencies may distribute
16 discretionary grants made under subsection (1) to municipal law
17 enforcement agencies for the operation and oversight of the
18 Michigan medical marihuana program pursuant to section 6(1) of the
19 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
20 county law enforcement agency distributes a discretionary grant in
21 this manner, that county law enforcement agency shall require the
22 receiving municipal law enforcement agency to provide a report on
23 how that grant was spent. Reports from municipal law enforcement
24 agencies shall be included as part of the report submitted to the
25 department as required in subsection (3).

26 Sec. 903. (1) The amount appropriated in part 1 for
27 firefighter training grants shall only be expended for payments to

1 counties to reimburse organized fire departments for firefighter
2 training and other activities required under the firefighters
3 training council act, 1966 PA 291, MCL 29.361 to 29.377.

4 (2) If the amount appropriated in part 1 for firefighter
5 training grants is expended by the firefighter training council,
6 established in section 3 of the firefighters training council act,
7 1966 PA 291, MCL 29.363, for payments to counties under section 14
8 of the firefighters training council act, 1966 PA 291, MCL 29.374,
9 it is the intent of the legislature that:

10 (a) The amount appropriated in part 1 for firefighter training
11 grants shall be allocated pursuant to section 14(2) of the
12 firefighters training council act, 1966 PA 291, MCL 29.374.

13 (b) If the amount allocated to any county under subdivision
14 (a) is less than \$5,000.00, the amounts disbursed to each county
15 under subdivision (a) shall be adjusted to provide for a minimum
16 payment of \$5,000.00 to each county.

17 (3) No later than February 1, the department shall submit a
18 financial report to the subcommittees and fiscal agencies
19 identifying the following information for the preceding fiscal
20 year:

21 (a) The amount of the payments that would be made to each
22 county if the distribution formula described by the first sentence
23 of section 14(2) of the firefighters training council act, 1966 PA
24 291, MCL 29.374, would have been utilized to allocate the total
25 amount appropriated in part 1 for firefighter training grants.

26 (b) The amount of the payments approved by the firefighter
27 training council for allocation to each county.

1 (c) The amount of the payments actually expended or encumbered
2 within each county.

3 (d) A description of any other payments or expenditures made
4 under the authority of the firefighter training council.

5 (e) The amount of payments approved for allocations to
6 counties that was not expended or encumbered and lapsed back to the
7 fireworks safety fund.

8 Sec. 904. (1) The funds appropriated in part 1 for a regional
9 or subregional library shall not be released until a budget for
10 that regional or subregional library has been approved by the
11 department for expenditures for library services directly serving
12 the blind and persons with disabilities.

13 (2) In order to receive subregional state aid as appropriated
14 in part 1, a regional or subregional library's fiscal agency shall
15 agree to maintain local funding support at the same level in the
16 current fiscal year as in the fiscal agency's preceding fiscal
17 year. If a reduction in expenditures equally affects all agencies
18 in a local unit of government that is the regional or subregional
19 library's fiscal agency, that reduction shall not be interpreted as
20 a reduction in local support and shall not disqualify a regional or
21 subregional library from receiving state aid under part 1. If a
22 reduction in income affects a library cooperative or district
23 library that is a regional or subregional library's fiscal agency
24 or a reduction in expenditures for the regional or subregional
25 library's fiscal agency, a reduction in expenditures for the
26 regional or subregional library shall not be interpreted as a
27 reduction in local support and shall not disqualify a regional or

1 subregional library from receiving state aid under part 1.

2 **ONE-TIME BASIS APPROPRIATIONS**

3 Sec. 1001. (1) From the funds appropriated in part 1 for the
 4 liquor control commission IT upgrades, the department shall
 5 maintain customer service standards for authorized distributor
 6 agents, licensees, and vendors.

7 (2) The department shall identify specific outcomes and
 8 performance metrics for this initiative, including, but not limited
 9 to, the following:

10 (a) System availability to licensees.

11 (b) System order errors.

12 ARTICLE XIV

13 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

14 PART 1

15 LINE-ITEM APPROPRIATIONS

16 Sec. 101. There is appropriated for the department of military
 17 and veterans affairs for the fiscal year ending September 30, 2017,
 18 from the following funds:

19 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

20 APPROPRIATION SUMMARY

21 Full-time equated unclassified positions..... 9.0

22 Full-time equated classified positions..... 898.5

23 GROSS APPROPRIATION..... \$ 174,100,200

24 Interdepartmental grant and intradepartmental

1	transfer revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers		101,800
4	ADJUSTED GROSS APPROPRIATION.....	\$	173,998,400
5	Federal revenues:		
6	Total federal revenues.....		91,793,600
7	Special revenue funds:		
8	Total local revenues.....		1,522,400
9	Total private revenues.....		742,800
10	Total other state restricted revenues.....		24,696,000
11	State general fund/general purpose.....	\$	55,243,600
12	State general fund/general purpose schedule:		
13	Ongoing state general fund/general		
14	purpose		51,443,600
15	One-time state general fund/general		
16	purpose		3,800,000
17	Sec. 102. MILITARY		
18	Full-time equated unclassified positions.....		9.0
19	Full-time equated classified positions.....		334.0
20	Unclassified positions--9.0 FTE positions.....	\$	1,425,500
21	Departmentwide accounts.....		1,839,100
22	Headquarters and armories--78.0 FTE positions.....		17,254,100
23	Information technology services and projects.....		1,384,600
24	Michigan youth challenge academy--50.0 FTE positions .		5,326,900
25	Military family relief fund.....		600,000
26	Military training sites and support facilities--205.0		
27	FTE positions		33,793,000

1	National Guard tuition assistance fund.....	60,000
2	National Guard tuition assistance program--1.0 FTE	
3	position	3,505,000
4	National Guard operations.....	338,200
5	Starbase grant.....	<u>2,322,000</u>
6	GROSS APPROPRIATION.....	\$ 67,848,400
7	Appropriated from:	
8	Interdepartmental grant and intradepartmental	
9	transfer revenues:	
10	Total interdepartmental grants and intradepartmental	
11	transfers	101,800
12	Federal revenues:	
13	Total federal revenues.....	47,488,100
14	Special revenue funds:	
15	Total local revenues.....	1,522,400
16	Total private revenues.....	202,800
17	Total other state restricted revenues.....	6,551,800
18	State general fund/general purpose.....	\$ 11,981,500
19	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY	
20	Full-time equated classified positions..... 209.5	
21	Board of managers (veterans homes)	\$ 940,000
22	D.J. Jacobetti home for veterans--164.5 FTE positions	21,250,600
23	Michigan veterans trust fund administration--6.0 FTE	
24	positions	1,464,800
25	Michigan veterans trust fund grants.....	3,746,500
26	MVAA administration--39.0 FTE positions.....	7,057,300
27	Targeted grants.....	200,000

1	Veterans service grants.....		<u>3,763,500</u>
2	GROSS APPROPRIATION.....	\$	38,422,700
3	Appropriated from:		
4	Federal revenues:		
5	Total federal revenues.....		8,305,600
6	Special revenue funds:		
7	Total private revenues.....		540,000
8	Total other state restricted revenues.....		10,611,700
9	State general fund/general purpose.....	\$	18,965,400
10	Sec. 104. GRAND RAPIDS HOME FOR VETERANS		
11	Full-time equated classified positions.....	355.0	
12	Veterans home operations.....	\$	6,135,400
13	Purchased services.....		10,342,600
14	Salaries, wages, and fringe benefits--355.0 FTE		
15	positions		<u>30,751,000</u>
16	GROSS APPROPRIATION.....	\$	47,229,000
17	Appropriated from:		
18	Federal revenues:		
19	Total federal revenues.....		20,999,900
20	Special revenue funds:		
21	Total other state restricted revenues.....		6,532,500
22	State general fund/general purpose.....	\$	19,696,600
23	Sec. 105. CAPITAL OUTLAY		
24	Land and acquisitions.....	\$	1,000,000
25	Special maintenance - headquarters and armories.....		15,300,000
26	Special maintenance - veterans homes.....		500,000
27	Veterans homes planning.....		<u>100</u>

1	GROSS APPROPRIATION.....	\$	16,800,100
2	Appropriated from:		
3	Federal revenues:		
4	Total federal revenues.....		15,000,000
5	Special revenue funds:		
6	Total other state restricted revenues.....		1,000,000
7	State general fund/general purpose.....	\$	800,100
8	Sec. 106. ONE-TIME APPROPRIATIONS		
9	Armory maintenance.....	\$	2,500,000
10	Grand Rapids home Medicaid certification pilot.....		1,000,000
11	Homeless veterans.....		<u>300,000</u>
12	GROSS APPROPRIATION.....	\$	3,800,000
13	Appropriated from:		
14	State general fund/general purpose.....	\$	3,800,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$79,939,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$102,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

1 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

2	Military training sites and support facilities	\$	52,400
3	MVAA administration.....	\$	<u>50,000</u>
4	TOTAL.....	\$	102,400

5 Sec. 202. The appropriations authorized under this part and
 6 part 1 are subject to the management and budget act, 1984 PA 431,
 7 MCL 18.1101 to 18.1594.

8 Sec. 203. As used in this part and part 1:

9 (a) "Core services" means that phrase as defined in section
 10 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

11 (b) "Department" means the department of military and veterans
 12 affairs.

13 (c) "Director" means the director of the department.

14 (d) "DJJHV" means the D.J. Jacobetti home for veterans.

15 (e) "FTE" means full-time equated.

16 (f) "GRHV" means the Grand Rapids home for veterans.

17 (g) "HVAC" means heating, ventilation, and air conditioning.

18 (h) "MVAA" means the Michigan veterans affairs agency.

19 (i) "Subcommittees" means the subcommittees of the senate and
 20 house appropriations committees with jurisdiction over the budget
 21 of the department.

22 (j) "USDVA" means the United States Department of Veterans
 23 Affairs.

24 (k) "USDVA-VHA" means the USDVA Veterans Health
 25 Administration.

26 (l) "VSO" means veterans service organization.

27 (m) "Work project" means that term as defined in section 404

1 of the management and budget act, 1984 PA 431, MCL 18.1404, and
2 that meets the criteria in section 451a(1) of the management and
3 budget act, 1984 PA 431, MCL 18.1451a.

4 Sec. 206. (1) In addition to the funds appropriated in part 1,
5 there is appropriated an amount not to exceed \$10,000,000.00 for
6 federal contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 under section 393(2) of the management and budget act,
9 1984 PA 431, MCL 18.1393.

10 (2) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$2,000,000.00 for state
12 restricted contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (3) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$100,000.00 for local
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in part 1
20 under section 393(2) of the management and budget act, 1984 PA 431,
21 MCL 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$100,000.00 for private
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in part 1
26 under section 393(2) of the management and budget act, 1984 PA 431,
27 MCL 18.1393.

1 Sec. 207. The department shall cooperate with the department
2 of technology, management, and budget to maintain a searchable
3 website accessible by the public at no cost that includes, but is
4 not limited to, all of the following:

5 (a) Fiscal year-to-date expenditures by category.

6 (b) Fiscal year-to-date expenditures by appropriation unit.

7 (c) Fiscal year-to-date payments to a selected vendor,
8 including the vendor name, payment date, payment amount, and
9 payment description.

10 (d) The number of active department employees by job
11 classification.

12 (e) Job specifications and wage rates.

13 Sec. 208. The departments and agencies receiving
14 appropriations in part 1 shall use the Internet to fulfill the
15 reporting requirements of this part. This requirement may include
16 transmission of reports via electronic mail to the recipients
17 identified for each reporting requirement, or it may include
18 placement of reports on an Internet or Intranet site.

19 Sec. 209. Funds appropriated in part 1 shall not be used for
20 the purchase of foreign goods or services, or both, if
21 competitively priced and of comparable quality American goods or
22 services, or both, are available. Preference shall be given to
23 goods or services, or both, manufactured or provided by Michigan
24 businesses, if they are competitively priced and of comparable
25 quality. In addition, preference shall be given to goods or
26 services, or both, that are manufactured or provided by Michigan
27 businesses owned and operated by veterans, if they are

1 competitively priced and of comparable quality.

2 Sec. 210. The director shall take all reasonable steps to
3 ensure businesses in deprived and depressed communities compete for
4 and perform contracts to provide services or supplies, or both. The
5 director shall strongly encourage firms with which the department
6 contracts to subcontract with certified businesses in depressed and
7 deprived communities for services, supplies, or both.

8 Sec. 215. The department shall not take disciplinary action
9 against an employee for communicating with a member of the
10 legislature or his or her staff.

11 Sec. 218. The departments and agencies receiving
12 appropriations in part 1 shall prepare a report on out-of-state
13 travel expenses not later than January 1 of each year. The travel
14 report shall be a listing of all travel by classified and
15 unclassified employees outside this state in the immediately
16 preceding fiscal year that was funded in whole or in part with
17 funds appropriated in the department's budget. The report shall be
18 submitted to the senate and house appropriations committees, the
19 house and senate fiscal agencies, and the state budget director.
20 The report shall include the following information:

21 (a) The dates of each travel occurrence.

22 (b) The transportation and related costs of each travel
23 occurrence, including the proportion funded with state general
24 fund/general purpose revenues, the proportion funded with state
25 restricted revenues, the proportion funded with federal revenues,
26 and the proportion funded with other revenues.

27 Sec. 219. The department shall provide quarterly reports to

1 the subcommittees, the senate and house fiscal agencies, and the
2 state budget office, which shall provide the following data:

3 (a) A list of all major work projects, including a status
4 report of each project.

5 (b) The department's financial status, featuring a report of
6 budgeted versus actual expenditures by part 1 line item including a
7 year-end projection of budget requirements. If projected department
8 budget requirements exceed the allocated budget, the report shall
9 include a plan to reduce overall expenses while still satisfying
10 specified service level requirements.

11 (c) A report on the status of performance metrics cited in
12 this part and information required to be reported in this part.

13 (d) The number of active employees at the close of the fiscal
14 quarter by job classification and program.

15 (e) Evidence of efficiencies and management of funds within
16 established appropriations.

17 Sec. 222. The appropriations in part 1 are for the core
18 services, support services, and work projects of the department,
19 including, but not limited to, the following core services:

20 (a) Armories and joint force readiness.

21 (b) National Guard training facilities and air bases.

22 (c) Michigan youth challenge academy.

23 (d) Military family relief fund.

24 (e) Starbase grant.

25 (f) National Guard tuition assistance program.

26 (g) Michigan veterans affairs agency administration.

27 (h) Veterans service grants.

1 (i) Veterans' trust fund administration.

2 (j) Veterans' trust fund grants.

3 (k) Board of managers (veterans homes).

4 (l) Grand Rapids home for veterans.

5 (m) D.J. Jacobetti home for veterans.

6 Sec. 225. Funds appropriated in part 1 shall not be used by a
7 principal executive department, state agency, or authority to hire
8 a person to provide legal services that are the responsibility of
9 the attorney general. This prohibition does not apply to legal
10 services for bonding activities and for those outside services that
11 the attorney general authorizes.

12 Sec. 228. Not later than November 30, the state budget office
13 shall prepare and transmit a report that provides for estimates of
14 the total general fund/general purpose appropriations lapses at the
15 close of the prior fiscal year. This report shall summarize the
16 projected year-end general fund/general purpose appropriations
17 lapses by major departmental program or program areas. The report
18 shall be transmitted to the chairpersons of the senate and house
19 appropriations committees, the subcommittees, and the senate and
20 house fiscal agencies.

21 Sec. 229. Within 14 days after the release of the executive
22 budget recommendation, the department shall cooperate with the
23 state budget office to provide the senate and house appropriations
24 chairs, the subcommittees, and the senate and house fiscal agencies
25 with an annual report on estimated state restricted fund balances,
26 state restricted fund projected revenues, and state restricted fund
27 expenditures for the fiscal years ending September 30, 2016 and

1 September 30, 2017.

2 Sec. 230. The department shall maintain, on a publicly
3 accessible website, a department scorecard that identifies, tracks,
4 and regularly updates key metrics that are used to monitor and
5 improve the agency's performance.

6 Sec. 231. Total authorized appropriations from all sources
7 under part 1 for legacy costs for the fiscal year ending September
8 30, 2017 are \$18,602,500.00. From this amount, total agency
9 appropriations for pension-related legacy costs are estimated at
10 \$10,314,600.00. Total agency appropriations for retiree health care
11 legacy costs are estimated at \$8,287,900.00.

12 Sec. 232. The appropriations in part 1 for capital outlay
13 shall be carried forward at the end of the fiscal year consistent
14 with section 248 of the management and budget act, 1984 PA 431, MCL
15 18.1248.

16 Sec. 233. Sixty days prior to the public announcement of the
17 intention to sell any department real property, the department
18 shall submit notification of that intent to the subcommittees and
19 the senate and house fiscal agencies.

20 Sec. 234. The one-time appropriations in part 1 for special
21 maintenance shall be carried forward at the end of the fiscal year
22 consistent with section 248 of the management and budget act, 1984
23 PA 431, MCL 18.1248.

24 **MILITARY**

25 **UNCLASSIFIED POSITIONS**

26 Sec. 300. (1) From the funds appropriated in part 1, there is

1 funding to support unclassified employee positions as authorized by
2 section 5 of article XI of the state constitution of 1963. These
3 positions include the following: department director - the adjutant
4 general for Michigan; assistant adjutant general - army; assistant
5 adjutant general - installations; assistant adjutant general - air;
6 senior policy executive - Michigan veterans affairs agency; senior
7 deputy director - state operations; director - strategy and policy;
8 chief executive officer for the veteran health system; and director
9 - Michigan veterans affairs agency.

10 (2) Not less than 30 days prior to the department submitting a
11 request for an additional unclassified employee position from the
12 civil service commission, or for any substantive change to the
13 duties of an existing unclassified employee position, the
14 department shall notify the subcommittees and the senate and house
15 fiscal agencies.

16 **ARMORIES AND JOINT FORCE READINESS**

17 Sec. 302. (1) From the funds appropriated in part 1 for
18 military operations, effective and efficient executive direction
19 and administrative leadership shall be provided to the department.

20 (2) The department shall operate and maintain National Guard
21 armories.

22 (3) The department shall evaluate armories and submit a
23 quarterly report on the status of the armories.

24 (4) The department shall maintain a system to measure the
25 condition and adequacy of the armories.

26 (5) The Michigan Army National Guard and Air National Guard
27 shall work to provide a culture that is free of sexual assault,

1 through an environment of prevention, education and training,
2 response capability, victim support, reporting procedures, and
3 appropriate accountability that enhances the safety and well-being
4 of all guard members.

5 (6) By December 1, the department shall report the following
6 information to the subcommittees, the senate and house fiscal
7 agencies, and the state budget office:

8 (a) An assessment of the grounds and facilities of each armory
9 to objectively measure and determine the current facility condition
10 and capability to support authorized manpower, unit training, and
11 operations.

12 (b) Recommendations for the placement of new armories, the
13 relocation or consolidation of existing armories, or a change in
14 the mission of units assigned to armories to ideally position the
15 National Guard in current or projected population centers.

16 (c) Recommendations for the enhanced use of armories to
17 facilitate family support programs during deployments.

18 (d) An analysis of the feasibility, potential costs, and
19 benefits of use of armories shared with other local, state, or
20 federal agencies to improve responses to local emergencies as well
21 as the community support provided to armories.

22 (e) An investment strategy and proposed funding amounts in a
23 prioritized project list to correct the most critical facility
24 shortfalls across the inventory of armories in this state.

25 **NATIONAL GUARD TRAINING FACILITIES AND AIR BASES**

26 Sec. 304. (1) The department shall provide Army and Air
27 National Guard forces, when directed, for state and local

1 emergencies and in support of national military requirements.

2 (2) The department shall operate and maintain Army National
3 Guard training facilities, including Fort Custer and Camp Grayling.

4 (3) The department shall maintain a system that measures the
5 condition and adequacy of air facilities using both quality and
6 functionality criteria.

7 (4) The department shall operate and maintain Air National
8 Guard air bases, including Selfridge Air National Guard base,
9 Battle Creek Air National Guard base, and Alpena combat readiness
10 training center.

11 (5) The department shall provide the following information as
12 provided under section 219:

13 (a) The apportioned and assigned strength of the Michigan Army
14 National Guard.

15 (b) The apportioned and assigned strength of the Michigan Air
16 National Guard.

17 (c) Recruiting, retention, and attrition data, including
18 measurement against stated performance goals, for the Michigan Army
19 National Guard.

20 (d) Recruiting, retention, and attrition data, including
21 measurement against stated performance goals, for the Michigan Air
22 National Guard.

23 Sec. 305. There is hereby created and established under the
24 jurisdiction and control of the department a revolving account to
25 be known as the billeting fund account. All of the fees and other
26 revenues generated from the operation of the chargeable transient
27 quarters program shall be deposited in the billeting fund account.

1 Appropriations will be made from the account for the support of
2 program operations and the maintenance and operations of the
3 chargeable transient quarters program and will not exceed the
4 estimated revenues for the fiscal year in which they are made,
5 together with unexpended balances from prior years. The department
6 shall submit an annual report of operations and expenditures
7 regarding the billeting fund account to the appropriations
8 committees of the senate and house of representatives, the house
9 and senate fiscal agencies, and the state budget office at the end
10 of the fiscal year.

11 **MICHIGAN YOUTH CHALLENGE ACADEMY**

12 Sec. 307. (1) The department shall maintain the Michigan youth
13 challenge academy to provide values, skills, education, and self-
14 discipline instruction for at-risk youth as provided under 32 USC
15 509.

16 (2) The department shall take steps to recruit candidates to
17 the challenge program from economically disadvantaged areas,
18 including those with low-income and high-unemployment backgrounds.

19 (3) The department shall partner with the department of health
20 and human services to identify youth who may be eligible for the
21 challenge program from those youth served by department of health
22 and human services programs. These eligible youth shall be given
23 priority for enrollment in the program.

24 (4) The department shall maintain the staffing and resources
25 necessary to train at least 144 cadets simultaneously at the
26 Michigan youth challenge academy.

27 (5) The department shall ensure that the average grade level

1 increase for Michigan youth challenge academy graduates is 2 years
2 as measured with the test adult basic education (TABE) metrics.

3 **MILITARY FAMILY RELIEF FUND**

4 Sec. 308. (1) The department shall provide grants for
5 disbursement from the military family relief fund, as provided
6 under the military family relief fund act, 2004 PA 363, MCL 35.1211
7 to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative
8 code.

9 (2) The department shall provide information on the revenues,
10 expenditures for advertising and assistance grants, and fund
11 balance of the Michigan military family relief fund, as provided
12 under section 219.

13 (3) The department shall provide sufficient staffing and other
14 resources to provide outreach to the Michigan families of members
15 of the reserve component of the armed forces called into active
16 duty and to support the processing and approval of grant
17 applications this fiscal year under the Michigan military relief
18 fund and report those applications as provided in section 219.

19 **STARBASE GRANT**

20 Sec. 309. The department shall maintain the starbase program
21 at Air National Guard facilities, as provided under 10 USC 2193b,
22 to improve the knowledge, skills, and interest of students,
23 primarily in the fifth grade, in math, science, and technology. The
24 starbase program is to specifically target minority and at-risk
25 students for participation.

26 **NATIONAL GUARD TUITION ASSISTANCE PROGRAM**

27 Sec. 310. (1) The department shall establish and maintain a

1 National Guard tuition assistance program for members of the
2 Michigan Air and Army National Guard.

3 (2) The objective of the National Guard tuition program is to
4 bolster military readiness by increasing recruitment and retention
5 of Michigan Air and Army National Guard service members (and to
6 fill federally authorized strength levels for the state), improve
7 the Michigan Air and Army National Guard's competitive draw from
8 other military enlistment options in the state, enhance the ability
9 of the Michigan Air and Army National Guard to compete for members
10 and federal dollars with surrounding states, and increase the pool
11 of eligible candidates within the Michigan Air and Army National
12 Guard to become commissioned officers.

13 (3) The department shall make efforts to increase the number
14 of Michigan Air and Army National Guard members participating in
15 the program to 1,000 during the third year of the program's
16 existence. To evaluate the effectiveness of the program, the
17 department shall monitor the number of new recruits and new
18 reenlistments and the percentage of those who become participants
19 in the program to determine whether the percentage of authorized
20 Michigan Air and Army National Guard strength obtained and retained
21 is competitive in comparison with the neighboring air and army
22 national guards from the states of Illinois, Indiana, Ohio, and
23 Wisconsin.

24 (4) From the funds appropriated in part 1, the National Guard
25 tuition assistance program shall be supported with revenue from the
26 Michigan national guard tuition assistance fund created in section
27 4 of the Michigan national guard tuition assistance act, 2014 PA

1 259, MCL 32.434. As provided in section 4 of the Michigan national
2 guard tuition assistance act, 2014 PA 259, MCL 32.434, unexpended
3 funds remaining in the Michigan national guard tuition assistance
4 fund at the end of the fiscal year shall not lapse to the general
5 fund.

6 **INFORMATION TECHNOLOGY SERVICES AND PROJECTS**

7 Sec. 311. The funds appropriated in part 1 for information
8 technology services and projects shall be used as a pass through
9 via an interdepartmental grant to the department of technology,
10 management, and budget for technology services, including
11 maintenance and repair services, and technology projects, to
12 maximize the operational efficiency and effectiveness of the
13 department.

14 **MICHIGAN VETERANS AFFAIRS AGENCY**

15 **MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

16 Sec. 400. (1) The MVAA shall provide outreach services to
17 Michigan veterans that advise them on the benefits to which they
18 are entitled, as provided under Executive Reorganization Order No.
19 2013-2, MCL 32.92. The MVAA shall also do the following:

20 (a) Maintain the staffing partnerships and other resources
21 necessary to develop and operate an outreach program that will
22 communicate benefit eligibility information to at least 50% of
23 Michigan's population of veterans, as assessed by annual census
24 estimates, with a goal of reaching 100% and enabling 100% to access
25 benefit information online.

26 (b) Communicate veteran benefit information pertaining to the

1 Michigan military family relief fund, Michigan veterans' trust
2 fund, and USDVA health, financial, and memorial benefits to which
3 they are entitled.

4 (c) Provide sufficient staffing and other resources to approve
5 requests for military discharge certificates (DD-214) annually.

6 (d) Continue the process to digitize all medical records,
7 military discharge documents, and burial records that are currently
8 on paper and microfilm.

9 (e) Provide a report, as provided under section 219, on the
10 MVAA's performance on the performance measures, outcomes, and
11 initiatives developed by the agency in the strategic plan required
12 by section 501 of 2013 PA 9.

13 (f) Provide a report to the subcommittees, senate and house
14 fiscal agencies, and the state budget office no later than April 1
15 providing for the following:

16 (i) To the extent known, data on the estimated number of
17 homeless veterans, by county, in this state.

18 (ii) A summary of the activities and strategies developed to
19 date under the MVAA community assessment and regional service
20 delivery model pilot.

21 (2) From the funds appropriated in part 1, the MVAA shall
22 provide for the regional coordination of services, as follows:

23 (a) Regional coordinators shall be selected by the MVAA
24 through a grant agreement with VSOs or by other means.

25 (b) Regional coordinators shall provide the following
26 services:

27 (i) Coordinate veteran benefit counselors' efforts throughout

1 a specified region.

2 (ii) Coordinate services with the department of health and
3 human services and the department of corrections.

4 (iii) Coordinate with regional workforce and economic
5 development agencies.

6 (iv) Coordinate activities among local foundations, nonprofit
7 organizations, and community groups to improve accessibility,
8 enrollment, and utilization of the array of health care, education,
9 employment assistance, and quality of life services provided at the
10 local level.

11 (c) The MVAA may work with MVAA service officers, regional
12 coordinators, county veteran counselors, VSO service officers, and
13 other service providers to incorporate the provision of information
14 relating to mental health care resources into their daily
15 operations to aid veterans in understanding the mental health care
16 support services they may be eligible to receive.

17 (d) The MVAA shall coordinate with the department of health
18 and human services to identify Medicaid recipients who are veterans
19 and who may be eligible for federal veterans health care benefits
20 or other benefits, to the extent that the identification does not
21 violate applicable confidentiality requirements.

22 (e) The MVAA shall collaborate with the department of
23 corrections to create and maintain a process by which prisoners can
24 obtain a copy of their DD-214 form or other military discharge
25 documentation if necessary.

26 (f) The MVAA shall ensure that all MVAA service officers, VSO
27 service officers, and regional coordinators receive appropriate

1 training in processing applications for benefits payable to
2 veterans due to military sexual trauma, post-traumatic stress
3 disorder, depression, anxiety, substance abuse, or other mental
4 health issues.

5 (3) The MVAA shall provide claims processing services to
6 Michigan veterans in support of benefit claims submitted to the
7 USDVA for the health, financial, and memorial benefits for which
8 they are eligible, and shall do all of the following:

9 (a) Report the following information as provided in section
10 219:

11 (i) The number of benefit claims, by type, submitted to the
12 USDVA by MVAA and coalition partner veteran service officers.

13 (ii) The number of fully developed claims, submitted to the
14 USDVA, with an overall goal of 40% of benefit claims submitted that
15 are considered fully developed by the USDVA.

16 (b) Maintain the staffing and resources necessary to process a
17 minimum of 500 claims per year.

18 (4) The MVAA shall maintain staffing and resources necessary
19 to develop and implement a process to ensure that all county
20 counselors receive the training and accreditation necessary to
21 provide quality services to our veterans. The MVAA shall report
22 information as provided in section 219 on the number and percentage
23 of county veterans counselors requesting training by the MVAA, with
24 an overall goal of 100% of county veterans counselors trained.

25 (5) From the funds appropriated in part 1 for MVAA operations,
26 the MVAA shall provide grant assistance to enhance the capacity and
27 capabilities of counties in providing benefit claims assistance.

1 These funds shall be used to continue the implementation of an
2 Internet-based data system, to increase the number of county
3 veterans counselors, and to increase the number of counties that
4 provide service to veterans through county veterans counselors. The
5 MVAA shall provide a report, as provided in section 219, on the
6 expenditures and activities of the grant funds directed by this
7 subsection.

8 (6) From the funds appropriated in part 1 for MVAA, the MVAA
9 is authorized to expend up to \$50,000.00 to hire legal services to
10 represent veterans benefit cases before federal court to maintain
11 accreditation under 38 CFR 14.628(d)(1)(iv).

12 **VETERANS SERVICE ORGANIZATION GRANTS**

13 Sec. 406. (1) The MVAA shall disburse VSO grants to assist
14 them to achieve agency goals and performance objectives in
15 partnership with the VSOs. Grants to VSOs will be disbursed to fund
16 programs and projects which are determined by the agency to meet
17 agency performance objectives and ensure that VSOs communicate the
18 availability of emergency grants through the Michigan veterans'
19 trust fund. In disbursing veterans service organization grants, the
20 MVAA shall do the following:

21 (a) Ensure that each VSO that receives grants is issued
22 performance standards.

23 (b) Ensure that each VSO that receives grant funds uses those
24 funds for veterans advocacy and outreach.

25 (c) Monitor the performance of each VSO that receives grants.

26 (2) Veterans service organization grants awarded by the MVAA
27 shall provide for the following, as developed by the MVAA:

1 (a) The provision of service to veterans statewide, using a
2 regional service delivery model, with services provided at
3 specified locations and times, including service provided in state
4 correctional facilities.

5 (b) The payment of a fixed hourly service rate.

6 (c) A specified number of service hours within each geographic
7 region of this state, with a statewide goal of at least 116,500
8 hours, including service hours provided to eligible incarcerated
9 veterans within 1 year of their earliest release date.

10 (d) Use of an MVAA-designated Internet-based claims data
11 system.

12 (3) The MVAA shall report the following information as
13 provided in section 219:

14 (a) A summary of activities supported through the
15 appropriation in part 1 for veterans service organization grants,
16 including separately for each service region, the amount of
17 expenditures to date, number of service hours, number of claims for
18 benefits submitted by type of claim, and other information deemed
19 appropriate by the MVAA.

20 (b) The number of fully developed claims, by type, submitted
21 to the USDVA by veterans service organizations, with an overall
22 goal of 40% of benefit claims submitted that are considered fully
23 developed by the USDVA.

24 **VETERANS' TRUST FUND ADMINISTRATION**

25 Sec. 407. (1) The Michigan veterans' trust fund board together
26 with the MVAA shall provide emergency grants for disbursement from
27 the Michigan veterans' trust fund, as provided under the following

1 program authorities:

2 (a) Sections 37, 38, and 39 of article IX of the state
3 constitution of 1963.

4 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

5 (c) R 35.1 to R 35.7 of the Michigan administrative code.

6 (d) R 35.621 to R 35.623 of the Michigan administrative code.

7 (2) No later than December 1, the MVAA shall provide a
8 detailed report of the Michigan veterans' trust fund that includes,
9 for the prior fiscal year, information on grants provided from the
10 emergency grant program, including details concerning the
11 methodology of allocations, the selection of emergency grant
12 program authorized agents, a description of how the emergency grant
13 program is administered in each county, and a detailed breakdown of
14 trust fund expenditures for that year, including the amount
15 distributed to each county for administrative costs and emergency
16 grants. The report shall also include the number of approved
17 applications, by category of assistance, and the number of denied
18 applications, by reason of denial. The report shall also provide an
19 update on the department's efforts to reduce program administrative
20 costs and maintain the Michigan veterans' trust fund corpus to its
21 original amount of at least \$50,000,000.00.

22 (3) Any funds not expended or encumbered at the end of the
23 current fiscal year shall be deposited into the Michigan veterans'
24 trust fund corpus.

25 **VETERANS' TRUST FUND GRANTS**

26 Sec. 408. (1) The MVAA shall provide a report, as provided
27 under section 219, on the financial status of the Michigan

1 veterans' trust fund, including the number and amount of emergency
2 grants, state administrative expenses, and county administrative
3 expenses.

4 (2) The Michigan veterans' trust fund board together with the
5 agency shall maintain the staffing and resources necessary to
6 process a minimum of 2,000 applications for veterans' trust fund
7 emergency grants.

8 **GRAND RAPIDS AND D.J. JACOBETTI HOMES FOR VETERANS**

9 Sec. 501. (1) The MVAA and the board of managers shall provide
10 compassionate and quality nursing and domiciliary care services at
11 the Grand Rapids and D.J. Jacobetti homes for veterans so that
12 members can achieve their highest potential of wellness,
13 independence, self-worth, and dignity.

14 (2) The department shall provide resources necessary to
15 provide nursing care services to veterans in accordance with
16 federal standards and provide the results of the annual USDVA
17 survey and certification as proof of compliance.

18 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
19 Jacobetti homes for veterans shall not be used for any purpose
20 other than for veterans and veterans' families.

21 (4) Any contractor providing competency evaluated nursing
22 assistants (CENA) to the Grand Rapids home for veterans shall
23 ensure that each CENA has at least 8 hours of training on
24 information provided by the home.

25 (5) Any contractor providing competency evaluated nursing
26 assistants to the Grand Rapids home for veterans shall ensure that
27 each CENA has at least 1 eight-hour shift of shadowing at the

1 veterans' home.

2 (6) Any contractor providing competency evaluated nursing
3 assistants to the Grand Rapids home for veterans shall ensure that
4 each CENA is competent in the basic skills needed to perform his or
5 her assigned duties at the home.

6 (7) The Grand Rapids home for veterans shall provide each CENA
7 at least 12 hours of in-service training once that individual has
8 been assigned to the home.

9 (8) All complaints of abusive or neglectful care at the Grand
10 Rapids and the D.J. Jacobetti homes for veterans by a resident
11 member, a resident member's family or legal guardian, or staff of
12 the veterans' homes, received by a supervisor shall be referred to
13 the director of nursing or his or her designee upon receipt of such
14 complaint. The director of nursing or his or her designee shall
15 report on not less than a monthly basis, except that the board of
16 managers may specify a more frequent reporting period, to the home
17 administrator, board of managers, agency, subcommittees, the senate
18 and house fiscal agencies, and the state budget office the
19 following information:

20 (a) A description of the process by which resident members and
21 others may file complaints of alleged abuse or neglect at the Grand
22 Rapids and the D.J. Jacobetti homes for veterans.

23 (b) Summary statistics on the number and general nature of
24 complaints of abuse or neglect.

25 (c) Summary statistics on the final disposition of complaints
26 of abuse or neglect received.

27 (9) The Grand Rapids and D.J. Jacobetti homes for veterans

1 shall provide an on-site, board-certified psychiatrist for all
2 resident members with mental health disorders in order to ensure
3 that those resident members receive needed services in a
4 professional and timely manner. The Grand Rapids and D.J. Jacobetti
5 homes for veterans shall provide all members and staff a safe and
6 secure environment.

7 (10) The Grand Rapids and D.J. Jacobetti homes for veterans
8 shall ensure that they effectively develop, execute, and monitor
9 all comprehensive care plans in accordance with federal regulations
10 and their internal policies, with a goal that a comprehensive care
11 plan is fully developed for all resident members.

12 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
13 shall implement controls over their food, maintenance supplies,
14 pharmaceuticals, and medical supplies inventories.

15 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
16 shall establish sufficient controls for calculating resident member
17 maintenance assessments in order to accurately calculate resident
18 member maintenance assessments for each billing cycle. The Grand
19 Rapids and D.J. Jacobetti homes for veterans shall establish
20 sufficient controls to ensure that all past due resident member
21 maintenance assessments are addressed within 30 days.

22 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
23 shall establish sufficient controls over monetary donations and
24 donated goods.

25 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
26 shall implement sufficient controls over the handling of resident
27 member funds to ensure the release of funds within 3 business days

1 upon the resident member leaving the home and to ensure that a
2 representative of a resident member is provided a full accounting
3 of that resident member's funds within 10 business days of the
4 death of that resident member.

5 (15) The MVAA shall post on its website all policies adopted
6 by the board of managers and the home related to the administrative
7 operations of the home.

8 (16) The process by which visitors, residents, and employees
9 of the Grand Rapids and D.J. Jacobetti homes for veterans may
10 register complaints shall be displayed in high-traffic areas
11 throughout the home.

12 (17) The MVAA shall report its findings regarding the state
13 veterans' homes' compliance with the requirements and standards
14 under this section in a quarterly report to the legislature and the
15 state budget office. The quarterly reports shall include, but are
16 not limited to, the following information:

17 (a) Quality of care metrics, including:

18 (i) The number of patient care hours and staffing levels
19 measured against USDVA-VHA standards.

20 (ii) Sentinel events reported to the USDVA.

21 (iii) Fall and wound reports.

22 (iv) Complaint reports, including abuse and neglect complaints
23 and outcomes of complaint investigations.

24 (v) Additional minimum data set quality of care indicators
25 used to measure quality of care in long-term care facilities.

26 (b) Quarterly budget update.

27 (c) An accounting of resident member populations at the Grand

1 Rapids and D.J. Jacobetti homes for veterans as follows:

2 (i) By demographics, including period of service, gender, and
3 age.

4 (ii) By care setting, payment source, and associated revenue
5 projections.

6 (d) Updates related to the modernization of the Grand Rapids
7 and D.J. Jacobetti homes for veterans, including information
8 related to the following:

9 (i) Infrastructure/capital outlay improvements.

10 (ii) Information technology updates.

11 (iii) Financial management.

12 (e) Updates on corrective action status related to any audit
13 and survey findings until such findings have been fully addressed.

14 (18) The Grand Rapids and D.J. Jacobetti homes for veterans
15 shall provide to the subcommittees, the senate and house fiscal
16 agencies, and the state budget office the results of any annual or
17 for-cause survey conducted by the USDVA-VHA and any corresponding
18 corrective action plan. This information shall also be made
19 available publicly through the department's or MVAA's website.

20 (19) The MVAA shall provide to the legislature and the state
21 budget office quarterly reports regarding the status of Medicaid
22 certification efforts, including, but not limited to, descriptions
23 of incremental milestones, associated expenditures, and the percent
24 of plan completed.

25 Sec. 502. (1) From the increased funds appropriated in part 1
26 for the D.J. Jacobetti home for veterans, the department shall
27 pursue compliance with current Centers for Medicare and Medicaid

1 Services certification standards by the end of the current fiscal
2 year. The purpose of this expansion will be to obtain Medicaid
3 certification during fiscal year 2016-2017, to increase the ability
4 to fully utilize all federal funding available to cover the cost of
5 care of eligible veterans living at DJJHV, and to improve overall
6 quality of care for all veterans living at DJJHV.

7 (2) The department shall identify specific outcomes and
8 performance measures for this initiative, including, but not
9 limited to, the following:

10 (a) The quality of care to members of DJJHV shall increase as
11 a result of increased direct care staffing ratios.

12 (b) The quality of the care environment at DJJHV shall
13 increase as a result of facility updates made according to Medicaid
14 specifications to increase members' access to private and semi-
15 private accommodations.

16 (c) The quality of care for members of DJJHV shall increase as
17 a result of increased ability efforts to implement long-term care
18 evidence-based best practices at DJJHV.

19 (d) The collection of available federal Medicaid revenue shall
20 increase as a result of Medicaid certification.

21 (e) The fiscal stability of DJJHV shall improve due to
22 increased efforts to collect available federal revenue.

23 Sec. 503. The department shall ensure that the quality of care
24 for members of the Grand Rapids and D.J. Jacobetti homes for
25 veterans shall exceed the current quality of care for the full
26 spectrum of health care services as a result of the upgrades made
27 to the homes to meet the Centers for Medicare and Medicaid Services

1 certification standards. The department shall provide a quarterly
2 report to the subcommittees which contains evidence that the
3 quality of care for the full spectrum of health care services has
4 improved due to those upgrades.

5 **BOARD OF MANAGERS (VETERANS HOMES)**

6 Sec. 504. The board of managers shall exercise certain
7 regulatory and governance authority regarding admission and member
8 affairs at the Grand Rapids and D.J. Jacobetti homes for veterans.
9 The board of managers shall also work to represent the interest of
10 the veterans' community in both advisory and advocacy roles.

11 **CAPITAL OUTLAY**

12 **SPECIAL MAINTENANCE - NATIONAL GUARD**

13 Sec. 601. (1) The appropriations in part 1 for special
14 maintenance - National Guard shall be carried forward at the end of
15 the fiscal year consistent with section 248 of the management and
16 budget act, 1984 PA 431, MCL 18.1248.

17 (2) The appropriations for special maintenance - National
18 Guard shall be expended in accordance with the requirements of
19 sections 302 and 304 and shall be expended according to the
20 maintenance priorities of the department to repair and modernize
21 military training sites and support facilities, including armories,
22 which may include projects such as roof, HVAC, or boiler
23 replacement, interior renovations, facility expansion, improvements
24 to parking facilities, and other projects.

25 (3) The department shall provide a quarterly report as
26 provided under section 219 providing information on the status,

1 projected costs, and projected completion date of current and
2 planned special maintenance projects at the armories and other
3 National Guard facilities funded from capital outlay appropriations
4 made in part 1 and in prior appropriations years.

5 **SPECIAL MAINTENANCE - VETERANS' HOMES**

6 Sec. 603. (1) The appropriations in part 1 for special
7 maintenance - veterans' homes shall be carried forward at the end
8 of the fiscal year consistent with section 248 of the management
9 and budget act, 1984 PA 431, MCL 18.1248.

10 (2) The appropriations for special maintenance - veterans'
11 homes shall be expended in accordance with the requirements of
12 section 501 and shall be expended according to the maintenance
13 priorities of the department to repair and modernize the state's
14 veterans' homes, which may include projects such as roof, HVAC, or
15 boiler replacement, interior renovations, facility expansion,
16 improvements to parking facilities, and other projects designed to
17 enhance the quality of life and medical care of members.

18 (3) The MVAA shall provide a quarterly report as provided
19 under section 219 providing information on the status, projected
20 costs, and projected completion date of current and planned special
21 maintenance projects at the Grand Rapids home for veterans and D.J.
22 Jacobetti home for veterans funded from capital outlay
23 appropriations made in part 1 and in prior appropriations years.

24 **LAND AND ACQUISITIONS**

25 Sec. 604. (1) The department shall provide for the acquisition
26 and disposition of National Guard armories, facilities, and lands
27 as provided under sections 368, 382, and 382a of the Michigan

1 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

2 (2) The department shall provide a listing of property sales
3 and acquisitions as provided under section 219.

4 **VETERANS' HOMES PLANNING**

5 Sec. 605. (1) Funds appropriated in part 1 for veterans' homes
6 planning shall be used for the purposes of improving this state's
7 services in providing homes for veterans, which includes, but is
8 not limited to, the following:

9 (a) Developing a long-term plan for this state's veterans'
10 homes.

11 (b) The acquisition of land or facilities for the purpose of
12 expanding upon existing veterans' homes or creating new veterans'
13 homes.

14 (c) Constructing 1 or more new veterans' homes.

15 (d) Renovation of an existing veterans' home, in whole or in
16 part, or its associated facilities and infrastructure.

17 (2) The department shall issue a report quarterly regarding
18 the progress of any project undertaken utilizing funds appropriated
19 for veterans' homes planning to the chairs of the house and senate
20 standing committees on appropriations, the subcommittees, and the
21 house and senate fiscal agencies.

22 **ONE-TIME APPROPRIATIONS**

23 **ARMORY MAINTENANCE**

24 Sec. 701. (1) The appropriations in part 1 for armory
25 maintenance shall be carried forward at the end of the fiscal year
26 consistent with section 248 of the management and budget act, 1984

1 PA 431, MCL 18.1248.

2 (2) The appropriations for armory maintenance shall be
3 expended in accordance with the requirements of sections 302 and
4 304 and shall be expended according to the maintenance priorities
5 of the department to repair and modernize military training sites
6 and support facilities, including armories.

7 PART 2A

8 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
9 FOR FISCAL YEAR 2017-2018

10 **GENERAL SECTIONS**

11 Sec. 1201. It is the intent of the legislature to provide
12 appropriations for the fiscal year ending on September 30, 2018 for
13 the line items listed in part 1. The fiscal year 2017-2018
14 appropriations are anticipated to be the same as those for fiscal
15 year 2016-2017, excluding appropriations designated as one-time
16 appropriations and adjusting for changes in caseload and related
17 costs, federal fund match rates, economic factors, and available
18 revenue. These adjustments will be determined after the January
19 2017 consensus revenue estimating conference.

20 Sec. 1202. The veterans affairs agency shall provide the
21 percentage of Michigan veterans contacted, with a goal of 100%, and
22 report upon those outreach findings to the subcommittees at
23 quarterly legislative hearings.

24 Sec. 1203. The veterans affairs agency shall maintain a
25 minimum 50% fully developed claims as determined by the USDVA.

ARTICLE XV

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2017, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions..... 2,236.8

GROSS APPROPRIATION..... \$ 398,254,100

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 1,375,900

ADJUSTED GROSS APPROPRIATION..... \$ 396,878,200

Federal revenues:

Total federal revenues..... 72,365,400

Special revenue funds:

Total private revenues..... 7,446,400

Total other state restricted revenues..... 277,156,400

State general fund/general purpose..... \$ 39,910,000

State general fund/general purpose schedule:

Ongoing state general fund/general

purpose 38,260,000

One-time state general fund/general

purpose 1,650,000

1	FUND SOURCE SUMMARY	
2	Full-time equated unclassified positions.....	6.0
3	Full-time equated classified positions.....	2,236.8
4	GROSS APPROPRIATION.....	\$ 398,254,100
5	Interdepartmental grant revenues:	
6	IDG, land acquisition services-to-work orders	232,200
7	IDG, MacMullan conference center revenue	1,143,700
8	Total interdepartmental grants and intradepartmental	
9	transfers	1,375,900
10	ADJUSTED GROSS APPROPRIATION.....	\$ 396,878,200
11	Federal revenues:	
12	Federal funds.....	72,365,400
13	Total federal revenues.....	72,365,400
14	Special revenue funds:	
15	Private - Mann house trust fund.....	15,000
16	Private funds.....	7,431,400
17	Total private revenues.....	7,446,400
18	Cervidae licensing and inspection fees	138,800
19	Clean Michigan initiative fund.....	29,700
20	Commercial forest fund.....	26,600
21	Fire equipment fund.....	668,700
22	Forest development fund.....	44,288,400
23	Forest land user charges.....	252,200
24	Forest recreation account.....	1,825,500
25	Game and fish protection fund.....	75,013,200
26	Game and fish protection fund - deer habitat reserve .	2,127,300
27	Game and fish protection fund - fisheries settlement .	629,200

1	Game and fish protection fund - turkey permit fees ...	1,008,400
2	Game and fish protection fund - waterfowl fees	122,400
3	Game and fish protection fund - wildlife management	
4	public education fund	1,600,000
5	Game and fish protection fund - wildlife resource	
6	protection fund	1,140,700
7	Game and fish protection fund - youth hunting and	
8	fishing education and outreach fund.....	95,800
9	History fees fund.....	233,000
10	Invasive species fund.....	100
11	Land exchange facilitation fund.....	6,985,900
12	Local public recreation facilities fund.....	1,682,500
13	Mackinac Island State Park fund.....	1,573,000
14	Mackinac Island State Park operation fund.....	148,500
15	Marine safety fund.....	3,718,600
16	Michigan heritage publications fund.....	22,300
17	Michigan natural resources trust fund.....	1,870,700
18	Michigan state parks endowment fund.....	26,541,300
19	Michigan state waterways fund.....	22,707,100
20	Michigan trailways fund.....	200
21	Museum operations fund.....	502,900
22	Nongame wildlife fund.....	483,400
23	Off-road vehicle safety education fund.....	203,500
24	Off-road vehicle trail improvement fund.....	7,068,700
25	Park improvement fund.....	53,201,700
26	Park improvement fund - Belle Isle subaccount	800,000
27	Permanent snowmobile trail easement fund.....	700,000

1	Public use and replacement deed fees	27,500
2	Recreation improvement account	1,123,100
3	Recreation passport fees	8,296,400
4	Snowmobile registration fee revenue	1,196,900
5	Snowmobile trail improvement fund	9,024,700
6	Sportsmen against hunger fund	77,500
7	Total other state restricted revenues	277,156,400
8	State general fund/general purpose	\$ 39,910,000
9	Sec. 102. EXECUTIVE OPERATIONS	
10	Full-time equated unclassified positions..... 6.0	
11	Full-time equated classified positions..... 11.6	
12	Natural resources commission	\$ 77,100
13	Unclassified salaries--6.0 FTE positions	754,000
14	Executive direction--11.6 FTE positions	<u>2,120,700</u>
15	GROSS APPROPRIATION	\$ 2,951,800
16	Appropriated from:	
17	Special revenue funds:	
18	Forest development fund	364,800
19	Forest land user charges	2,300
20	Forest recreation account	7,700
21	Game and fish protection fund	1,058,500
22	Game and fish protection fund - deer habitat reserve .	19,200
23	Game and fish protection fund - turkey permit fees ...	7,700
24	Game and fish protection fund - waterfowl fees	500
25	Game and fish protection fund - wildlife resource	
26	protection fund	13,000
27	Land exchange facilitation fund	10,400

1	Marine safety fund.....	46,600
2	Michigan natural resources trust fund.....	1,400
3	Michigan state parks endowment fund.....	363,000
4	Michigan state waterways fund.....	192,300
5	Nongame wildlife fund.....	3,900
6	Off-road vehicle safety education fund.....	400
7	Off-road vehicle trail improvement fund.....	82,900
8	Park improvement fund.....	457,300
9	Recreation improvement account.....	12,400
10	Snowmobile registration fee revenue.....	4,700
11	Snowmobile trail improvement fund.....	17,100
12	Sportsmen against hunger fund.....	100
13	State general fund/general purpose	285,600
14	Sec. 103. DEPARTMENT INITIATIVES	
15	Full-time equated classified positions..... 16.0	
16	Great Lakes restoration initiative..... \$	5,500,000
17	Michigan conservation corps.....	1,000,000
18	Invasive species prevention and control--16.0 FTE	
19	positions	<u>5,028,300</u>
20	GROSS APPROPRIATION..... \$	11,528,300
21	Appropriated from:	
22	Federal revenues:	
23	Federal funds.....	5,500,000
24	Special revenue funds:	
25	State general fund/general purpose..... \$	6,028,300
26	Sec. 104. DEPARTMENT SUPPORT SERVICES	
27	Full-time equated classified positions..... 109.5	

1	Finance and operations--105.5 FTE positions	\$	17,300,200
2	Accounting service center.....		1,480,400
3	Legislative and legal affairs--4.0 FTE positions		546,900
4	Building occupancy charges.....		3,126,700
5	Rent - privately owned property.....		488,400
6	Gifts and pass-through transactions.....		<u>5,000,000</u>
7	GROSS APPROPRIATION.....	\$	27,942,600
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG, land acquisition services-to-work orders		232,200
11	Federal revenues:		
12	Federal funds.....		329,700
13	Special revenue funds:		
14	Private funds.....		5,000,000
15	Clean Michigan initiative fund.....		29,700
16	Forest development fund.....		2,402,600
17	Forest land user charges.....		4,900
18	Forest recreation account.....		43,800
19	Game and fish protection fund.....		5,898,100
20	Game and fish protection fund - deer habitat reserve .		136,400
21	Game and fish protection fund - turkey permit fees ...		70,100
22	Game and fish protection fund - waterfowl fees		2,900
23	Game and fish protection fund - wildlife resource		
24	protection fund		28,100
25	Land exchange facilitation fund.....		5,899,100
26	Local public recreation facilities fund.....		182,500
27	Marine safety fund.....		727,800

1	Michigan natural resources trust fund.....	1,247,000
2	Michigan state parks endowment fund.....	912,400
3	Michigan state waterways fund.....	572,200
4	Nongame wildlife fund.....	9,500
5	Off-road vehicle safety education fund.....	300
6	Off-road vehicle trail improvement fund.....	86,500
7	Park improvement fund.....	1,276,300
8	Public use and replacement deed fees.....	27,500
9	Recreation improvement account.....	71,300
10	Snowmobile registration fee revenue.....	43,500
11	Snowmobile trail improvement fund.....	106,300
12	Sportsmen against hunger fund.....	400
13	State general fund/general purpose.....	\$ 2,601,500
14	Sec. 105. COMMUNICATION AND CUSTOMER SERVICES	
15	Full-time equated classified positions..... 132.3	
16	Marketing and outreach--80.8 FTE positions.....	\$ 13,653,700
17	Michigan historical center--51.5 FTE positions.....	5,576,300
18	Michigan wildlife council.....	<u>1,600,000</u>
19	GROSS APPROPRIATION.....	\$ 20,830,000
20	Appropriated from:	
21	Federal revenues:	
22	Federal funds.....	1,722,600
23	Special revenue funds:	
24	Private - Mann house trust fund.....	15,000
25	Private funds.....	396,200
26	Forest development fund.....	131,900
27	Forest recreation account.....	16,300

1	Game and fish protection fund.....	8,288,800
2	Game and fish protection fund - wildlife management	
3	public education fund	1,600,000
4	Game and fish protection fund - youth hunting and	
5	fishing education and outreach fund.....	93,800
6	History fees fund.....	233,000
7	Land exchange facilitation fund.....	45,800
8	Marine safety fund.....	35,600
9	Michigan heritage publications fund.....	22,300
10	Michigan state parks endowment fund.....	88,800
11	Michigan state waterways fund.....	146,700
12	Museum operations fund.....	502,900
13	Nongame wildlife fund.....	10,500
14	Off-road vehicle trail improvement fund.....	31,100
15	Park improvement fund.....	2,785,400
16	Recreation passport fees.....	23,800
17	Snowmobile registration fee revenue.....	19,300
18	Snowmobile trail improvement fund.....	45,100
19	Sportsmen against hunger fund.....	76,400
20	State general fund/general purpose.....	\$ 4,498,700
21	Sec. 106. WILDLIFE MANAGEMENT	
22	Full-time equated classified positions..... 226.5	
23	Wildlife management--217.5 FTE positions.....	\$ 37,007,300
24	Natural resources heritage--9.0 FTE positions.....	<u>632,900</u>
25	GROSS APPROPRIATION.....	\$ 37,640,200
26	Appropriated from:	
27	Federal revenues:	

1	Federal funds.....	20,326,800
2	Special revenue funds:	
3	Private funds.....	315,700
4	Cervidae licensing and inspection fees.....	85,400
5	Forest development fund.....	77,600
6	Game and fish protection fund.....	11,870,000
7	Game and fish protection fund - deer habitat reserve .	1,710,100
8	Game and fish protection fund - turkey permit fees ...	896,800
9	Game and fish protection fund - waterfowl fees	115,700
10	Nongame wildlife fund.....	429,000
11	State general fund/general purpose.....	\$ 1,813,100
12	Sec. 107. FISHERIES MANAGEMENT	
13	Full-time equated classified positions..... 221.5	
14	Aquatic resource mitigation--2.0 FTE positions	\$ 629,300
15	Fish production--63.0 FTE positions.....	10,194,000
16	Fisheries resource management--156.5 FTE positions ...	20,378,600
17	Cormorant population mitigation program.....	<u>150,000</u>
18	GROSS APPROPRIATION.....	\$ 31,351,900
19	Appropriated from:	
20	Federal revenues:	
21	Federal funds.....	11,225,700
22	Special revenue funds:	
23	Private funds.....	136,200
24	Game and fish protection fund.....	18,951,500
25	Game and fish protection fund - fisheries settlement .	629,200
26	Invasive species fund.....	100
27	State general fund/general purpose.....	\$ 409,200

1	Sec. 108. LAW ENFORCEMENT		
2	Full-time equated classified positions.....	273.0	
3	General law enforcement--273.0 FTE positions	\$	<u>40,506,000</u>
4	GROSS APPROPRIATION.....	\$	40,506,000
5	Appropriated from:		
6	Federal revenues:		
7	Federal funds.....		6,477,500
8	Special revenue funds:		
9	Cervidae licensing and inspection fees		53,400
10	Forest development fund.....		45,400
11	Forest recreation account.....		72,800
12	Game and fish protection fund.....		19,322,900
13	Game and fish protection fund - wildlife resource		
14	protection fund		1,057,500
15	Marine safety fund.....		1,340,900
16	Michigan state parks endowment fund.....		71,400
17	Michigan state waterways fund.....		21,700
18	Off-road vehicle safety education fund.....		156,000
19	Off-road vehicle trail improvement fund.....		1,693,800
20	Park improvement fund.....		72,800
21	Snowmobile registration fee revenue.....		721,900
22	State general fund/general purpose.....	\$	9,398,000
23	Sec. 109. PARKS AND RECREATION DIVISION		
24	Full-time equated classified positions.....	902.9	
25	MacMullan conference center--15.0 FTE positions	\$	1,143,700
26	Recreational boating--163.5 FTE positions		17,371,300
27	State parks--673.4 FTE positions		66,487,900

1	Forest recreation and trails--51.0 FTE positions	6,189,400
2	State parks improvement revenue bonds - debt service .	<u>1,188,800</u>
3	GROSS APPROPRIATION.....	\$ 92,381,100
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG, MacMullan conference center revenue	1,143,700
7	Federal revenues:	
8	Federal funds.....	1,750,500
9	Special revenue funds:	
10	Private funds.....	428,400
11	Forest recreation account.....	1,642,900
12	Michigan state parks endowment fund.....	20,805,600
13	Michigan state waterways fund.....	16,239,000
14	Michigan trailways fund.....	100
15	Off-road vehicle safety education fund.....	7,200
16	Off-road vehicle trail improvement fund.....	1,796,400
17	Park improvement fund.....	43,251,600
18	Park improvement fund - Belle Isle subaccount	800,000
19	Recreation improvement account.....	333,400
20	Recreation passport fees.....	272,600
21	Snowmobile registration fee revenue.....	15,800
22	Snowmobile trail improvement fund.....	1,441,400
23	State general fund/general purpose.....	\$ 2,452,500
24	Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION	
25	Full-time equated classified positions..... 17.0	
26	Historical facilities system--13.0 FTE positions	\$ 1,573,000
27	Mackinac Island State Park operations--4.0 FTE	

1	positions	<u>352,100</u>
2	GROSS APPROPRIATION.....	\$ 1,925,100
3	Appropriated from:	
4	Special revenue funds:	
5	Mackinac Island State Park fund.....	1,573,000
6	Mackinac Island State Park operation fund.....	148,500
7	State general fund/general purpose.....	\$ 203,600
8	Sec. 111. FOREST RESOURCES DIVISION	
9	Full-time equated classified positions..... 326.5	
10	Adopt-a-forest program.....	\$ 25,000
11	Cooperative resource programs--11.0 FTE positions	1,547,100
12	Forest management and timber market	
13	development--176.0 FTE positions.....	31,134,300
14	Forest fire equipment.....	581,500
15	Wildfire protection--114.0 FTE positions.....	13,712,800
16	Forest management initiatives--8.5 FTE positions	854,100
17	Minerals management--17.0 FTE positions.....	<u>2,828,600</u>
18	GROSS APPROPRIATION.....	\$ 50,683,400
19	Appropriated from:	
20	Federal revenues:	
21	Federal funds.....	4,273,300
22	Special revenue funds:	
23	Private funds.....	1,054,900
24	Commercial forest fund.....	24,500
25	Fire equipment fund.....	668,700
26	Forest development fund.....	32,599,800
27	Forest land user charges.....	221,100

1	Game and fish protection fund.....	1,932,000
2	Michigan state parks endowment fund.....	2,659,100
3	Michigan state waterways fund.....	50,900
4	State general fund/general purpose.....	\$ 7,199,100
5	Sec. 112. GRANTS	
6	Dam management grant program.....	\$ 350,000
7	Deer habitat improvement partnership initiative.....	200,000
8	Federal - clean vessel act grants.....	400,000
9	Federal - forest stewardship grants.....	3,000,000
10	Federal - land and water conservation fund payments ..	2,566,900
11	Federal - rural community fire protection.....	400,000
12	Federal - urban forestry grants.....	1,600,000
13	Fisheries habitat improvement grants.....	1,250,000
14	Grants to communities - federal oil, gas, and timber	
15	payments	3,450,000
16	Grants to counties - marine safety.....	3,074,700
17	National recreational trails.....	3,900,000
18	Nonmotorized trail development and maintenance grants	350,000
19	Off-road vehicle safety training grants.....	29,200
20	Off-road vehicle trail improvement grants.....	3,356,200
21	Recreation improvement fund grants.....	657,100
22	Recreation passport local grants.....	1,500,000
23	Snowmobile law enforcement grants.....	380,100
24	Snowmobile local grants program.....	7,340,400
25	Trail easements.....	700,000
26	Wildlife habitat improvement grants.....	<u>1,500,000</u>
27	GROSS APPROPRIATION.....	\$ 36,004,600

1	Appropriated from:	
2	Federal revenues:	
3	Federal funds.....	16,884,300
4	Special revenue funds:	
5	Private funds.....	100,000
6	Game and fish protection fund.....	2,750,000
7	Game and fish protection fund - deer habitat reserve .	200,000
8	Local public recreation facilities fund.....	1,500,000
9	Marine safety fund.....	1,407,300
10	Off-road vehicle safety education fund.....	29,200
11	Off-road vehicle trail improvement fund.....	3,356,200
12	Permanent snowmobile trail easement fund.....	700,000
13	Recreation improvement account.....	657,100
14	Snowmobile registration fee revenue.....	380,100
15	Snowmobile trail improvement fund.....	7,340,400
16	State general fund/general purpose.....	\$ 700,000
17	Sec. 113. INFORMATION TECHNOLOGY	
18	Information technology services and projects	\$ <u>10,284,000</u>
19	GROSS APPROPRIATION.....	\$ 10,284,000
20	Appropriated from:	
21	Special revenue funds:	
22	Commercial forest fund.....	2,100
23	Forest development fund.....	1,566,300
24	Forest land user charges.....	23,900
25	Forest recreation account.....	42,000
26	Game and fish protection fund.....	3,741,400
27	Game and fish protection fund - deer habitat reserve .	61,600

1	Game and fish protection fund - turkey permit fees ...	33,800
2	Game and fish protection fund - waterfowl fees	3,300
3	Game and fish protection fund - wildlife resource	
4	protection fund	42,100
5	Game and fish protection fund - youth hunting and	
6	fishing education and outreach fund.....	2,000
7	Land exchange facilitation fund.....	30,600
8	Marine safety fund.....	160,400
9	Michigan natural resources trust fund.....	22,300
10	Michigan state parks endowment fund.....	1,341,000
11	Michigan state waterways fund.....	484,200
12	Michigan trailways fund.....	100
13	Nongame wildlife fund.....	30,500
14	Off-road vehicle safety education fund.....	10,400
15	Off-road vehicle trail improvement fund.....	21,800
16	Park improvement fund.....	1,358,300
17	Recreation improvement account.....	48,900
18	Snowmobile registration fee revenue.....	11,600
19	Snowmobile trail improvement fund.....	74,400
20	Sportsmen against hunger fund.....	600
21	State general fund/general purpose.....	\$ 1,170,400
22	Sec. 114. CAPITAL OUTLAY	
23	(1) RECREATIONAL LANDS AND INFRASTRUCTURE	
24	State parks repair and maintenance.....	\$ 13,500,000
25	State game and wildlife area infrastructure.....	3,600,000
26	Forest development infrastructure.....	<u>2,000,000</u>
27	GROSS APPROPRIATION.....	\$ 19,100,000

1	Appropriated from:	
2	Federal revenues:	
3	Federal funds.....	2,700,000
4	Special revenue funds:	
5	Forest development fund.....	2,000,000
6	Game and fish protection fund.....	900,000
7	Park improvement fund.....	4,000,000
8	Recreation passport fees.....	8,000,000
9	State general fund/general purpose.....	\$ 1,500,000
10	(2) WATERWAYS BOATING PROGRAM	
11	Local boating infrastructure maintenance and	
12	improvements	\$ 658,000
13	State boating infrastructure maintenance.....	4,575,000
14	Munising, Alger County, marina improvements, dock	
15	extension, floating pier, revetment wall	
16	construction (total authorized cost is increased	
17	from \$2,894,800 to \$3,594,800; federal share is	
18	\$1,500,000; state share is increased from \$437,400	
19	to \$787,400; local share is increased from \$957,400	
20	to \$1,307,400)	350,000
21	Harrisville, Alcona County, harbor pier repair,	
22	reinforcement and bedecking, construction of	
23	boater gathering area, phase I (total authorized	
24	cost is \$577,900; state share is 492,100; local	
25	share is \$85,800)	<u>492,100</u>
26	GROSS APPROPRIATION.....	\$ 6,075,100
27	Appropriated from:	

1	Federal revenues:		
2	Federal funds.....		1,075,000
3	Special revenue funds:		
4	Michigan state waterways fund.....		5,000,100
5	State general fund/general purpose.....	\$	0
6	Sec. 115. ONE-TIME BASIS ONLY APPROPRIATIONS		
7	Forestry investment.....	\$	2,100,000
8	Invasive species (one-time).....		1,000,000
9	Land ownership tracking system.....		4,000,000
10	Forest fire equipment (one-time).....		1,000,000
11	Fisheries resource management (one-time).....		600,000
12	Swimmer's itch pilot program.....		250,000
13	Water trail development.....		<u>100,000</u>
14	GROSS APPROPRIATION.....	\$	9,050,000
15	Appropriated from:		
16	Federal revenues:		
17	Federal funds.....		100,000
18	Special revenue funds:		
19	Forest development fund.....		5,100,000
20	Game and fish protection fund.....		300,000
21	Land exchange facilitation fund.....		1,000,000
22	Michigan natural resources trust fund.....		600,000
23	Michigan state parks endowment fund.....		300,000
24	State general fund/general purpose.....	\$	1,650,000

25 PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2016-2017

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$317,066,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$6,100,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

GRANTS

Dam management grant program.....	\$	175,000
Fisheries habitat improvement grants.....		200,000
Grants to counties - marine safety.....		1,407,300
Nonmotorized trail development and maintenance grants		262,500
Off-road vehicle safety training grants.....		29,200
Off-road vehicle trail improvement grants.....		530,100
Recreation improvement fund grants.....		65,700
Recreation passport local grants.....		1,500,000
Snowmobile law enforcement grants.....		380,100
Wildlife habitat improvement grants.....		50,000

CAPITAL OUTLAY

Waterways boating program.....	\$	<u>1,500,100</u>
TOTAL.....	\$	6,100,000

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431,

1 MCL 18.1101 to 18.1594.

2 Sec. 203. As used in this part and part 1:

3 (a) "Department" means the department of natural resources.

4 (b) "Director" means the director of the department.

5 (c) "FTE" means full-time equated.

6 (d) "IDG" means interdepartmental grant.

7 Sec. 204. The departments and agencies receiving
8 appropriations in part 1 shall use the Internet to fulfill the
9 reporting requirements of this part. This requirement may include
10 transmission of reports via electronic mail to the recipients
11 identified for each reporting requirement, or it may include
12 placement of reports on an Internet or Intranet site.

13 Sec. 205. Funds appropriated in part 1 shall not be used for
14 the purchase of foreign goods or services, or both, if
15 competitively priced and of comparable quality American goods or
16 services, or both, are available. Preference shall be given to
17 goods or services, or both, manufactured or provided by Michigan
18 businesses if they are competitively priced and of comparable
19 quality. In addition, preference should be given to goods or
20 services, or both, that are manufactured or provided by Michigan
21 businesses owned and operated by veterans, if they are
22 competitively priced and of comparable quality.

23 Sec. 206. The director shall take all reasonable steps to
24 ensure businesses in deprived and depressed communities compete for
25 and perform contracts to provide services or supplies, or both. The
26 director shall strongly encourage firms with which the department
27 contracts to subcontract with certified businesses in depressed and

1 deprived communities for services, supplies, or both.

2 Sec. 207. The departments and agencies receiving
3 appropriations in part 1 shall prepare a report on out-of-state
4 travel expenses not later than January 1 of each year. The travel
5 report shall be a listing of all travel by classified and
6 unclassified employees outside this state in the immediately
7 preceding fiscal year that was funded in whole or in part with
8 funds appropriated in the department's budget. The report shall be
9 submitted to the senate and house appropriations committees, the
10 house and senate fiscal agencies, and the state budget director.
11 The report shall include the following information:

12 (a) The dates of each travel occurrence.

13 (b) The total transportation and related costs of each travel
14 occurrence, including the proportion funded with state general
15 fund/general purpose revenues, the proportion funded with state
16 restricted revenues, the proportion funded with federal revenues,
17 and the proportion funded with other revenues.

18 Sec. 208. Funds appropriated in this part and part 1 shall not
19 be used by a principal executive department, state agency, or
20 authority to hire a person to provide legal services that are the
21 responsibility of the attorney general. This prohibition does not
22 apply to legal services for bonding activities and for those
23 outside services that the attorney general authorizes.

24 Sec. 209. Not later than November 30, the state budget office
25 shall prepare and transmit a report that provides for estimates of
26 the total general fund/general purpose appropriation lapses at the
27 close of the prior fiscal year. This report shall summarize the

1 projected year-end general fund/general purpose appropriation
2 lapses by major departmental program or program areas. The report
3 shall be transmitted to the chairpersons of the senate and house
4 appropriations committees, and the senate and house fiscal
5 agencies.

6 Sec. 210. (1) In addition to the funds appropriated in part 1,
7 there is appropriated an amount not to exceed \$3,000,000.00 for
8 federal contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in part 1 under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

12 (2) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$10,000,000.00 for state
14 restricted contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in part 1 under section 393(2) of the management and budget act,
17 1984 PA 431, MCL 18.1393.

18 (3) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$100,000.00 for local
20 contingency funds. These funds are not available for expenditure
21 until they have been transferred to another line item in part 1
22 under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

24 (4) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$1,000,000.00 for private
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in part 1

1 under section 393(2) of the management and budget act, 1984 PA 431,
2 MCL 18.1393.

3 Sec. 211. The department shall cooperate with the department
4 of technology, management, and budget to maintain a searchable
5 website accessible by the public at no cost that includes, but is
6 not limited to, all of the following for each department or agency:

7 (a) Fiscal year-to-date expenditures by category.

8 (b) Fiscal year-to-date expenditures by appropriation unit.

9 (c) Fiscal year-to-date payments to a selected vendor,
10 including the vendor name, payment date, payment amount, and
11 payment description.

12 (d) The number of active department employees by job
13 classification.

14 (e) Job specifications and wage rates.

15 Sec. 212. Within 14 days after the release of the executive
16 budget recommendation, the department shall cooperate with the
17 state budget office to provide the senate and house appropriations
18 chairs, the senate and house appropriations subcommittees chairs,
19 and the senate and house fiscal agencies with an annual report on
20 estimated state restricted fund balances, state restricted fund
21 projected revenues, and state restricted fund expenditures for the
22 fiscal years ending September 30, 2016 and September 30, 2017.

23 Sec. 213. The department shall maintain, on a publicly
24 accessible website, a department scorecard that identifies, tracks,
25 and regularly updates key metrics that are used to monitor and
26 improve the agency's performance.

27 Sec. 214. Total authorized appropriations from all sources

under part 1 for legacy costs for the fiscal year ending September 30, 2017 are \$47,567,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$26,375,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$21,192,500.00.

Sec. 215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

Legislative auditor general	\$	31,300
Attorney general		751,100
Department of technology, management, and budget		464,500
Department of treasury		2,925,200

Sec. 216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2017.

Sec. 218. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. Before January 31, 2017, the department, in cooperation with the Michigan state waterways commission, shall provide to the state budget director, the senate and house

1 appropriations subcommittees on natural resources, and the senate
2 and house fiscal agencies a list of projects completed by the
3 commission in fiscal year 2015-2016, including the county and
4 municipality in which each project is located.

5 Sec. 220. The department shall not take disciplinary action
6 against an employee for communicating with a member of the
7 legislature or his or her staff.

8 **DEPARTMENT INITIATIVES**

9 Sec. 251. From the amounts appropriated in part 1 for invasive
10 species prevention and control, the department shall allocate not
11 less than \$3,600,000.00 for grants for the prevention, detection,
12 eradication, and control of invasive species.

13 **DEPARTMENT SUPPORT SERVICES**

14 Sec. 302. The department may charge land acquisition projects
15 appropriated for the fiscal year ending September 30, 2017, and for
16 prior fiscal years, a standard percentage fee to recover actual
17 costs, and may use the revenue derived to support the land
18 acquisition service charges provided for in part 1.

19 Sec. 303. As appropriated in part 1, the department may charge
20 both application fees and transaction fees related to the exchange
21 or sale of state-owned land or rights in land authorized by part 21
22 of the natural resources and environmental protection act, 1994 PA
23 451, MCL 324.2101 to 324.2162. The fees shall be set by the
24 director of the department at a rate which allows the department to
25 recover its costs for providing these services.

1 **COMMUNICATION AND CUSTOMER SERVICES**

2 Sec. 404. For the purposes of administering the museum store
3 as provided in section 7a of 1913 PA 271, MCL 399.7a, the
4 department is exempt from section 261 of the management and budget
5 act, 1984 PA 431, MCL 18.1261.

6 Sec. 405. As appropriated in part 1, proceeds in excess of
7 costs incurred in the conduct of auctions, sales, or transfers of
8 artifacts no longer considered suitable for the collections of the
9 state historical museum may be expended upon receipt for additional
10 material for the collection. The department shall notify the
11 chairpersons, vice chairpersons, and minority vice chairpersons of
12 the senate and house appropriations subcommittees on natural
13 resources 1 week prior to any auctions or sales. Any unexpended
14 funds may be carried forward into the next succeeding fiscal year.

15 Sec. 406. As appropriated in part 1, funds collected by the
16 department for historical markers; document reproduction and
17 services; conferences, admissions, workshops, and training classes;
18 and the use of specialized equipment, facilities, exhibits,
19 collections, and software shall be used for expenses necessary to
20 provide the required services. The department may charge fees for
21 the aforementioned services, including admission fees. Any
22 unexpended funds may be carried forward into the next succeeding
23 fiscal year.

24 Sec. 408. By October 21, 2016, the department shall submit to
25 the senate and house appropriations subcommittees on natural
26 resources a report on all land transactions approved by the natural
27 resources commission in the fiscal year ending September 30, 2016.

1 For each land transaction, the report shall include the size of the
2 parcel, the county and municipality in which the parcel is located,
3 the dollar amount of the transaction, the fund source affected by
4 the transaction, and whether the transaction is by purchase, public
5 auction, transfer, exchange, or conveyance.

6 **WILDLIFE DIVISION**

7 Sec. 503. From the funds appropriated in part 1, the
8 department shall produce a report detailing any efforts undertaken
9 to enforce the invasive species order on swine raised under the
10 husbandry of residents of this state. The report shall include fund
11 sources used and the amount of expenditures and shall be submitted
12 to the legislature by December 31, 2016.

13 Sec. 504. From the funds appropriated in part 1, the
14 department shall provide a report to the legislature on the use of
15 registration fees collected from privately owned cervid operations.
16 Appropriations in part 1 from cervidae licensing and inspection
17 fees shall not be used for anything other than work directly
18 related to the regulation of privately owned cervid operations in
19 this state.

20 Sec. 505. From the funds appropriated in part 1, the
21 department shall develop an urban deer management plan and use it
22 as a basis for discussions with communities to encourage practical,
23 efficient, and science-based management of urban deer nuisance and
24 public safety concerns.

25 **FISHERIES DIVISION**

1 Sec. 601. (1) From the appropriation in part 1 for aquatic
2 resource mitigation, not more than \$758,000.00 shall be allocated
3 for grants to watershed councils, resource development councils,
4 soil conservation districts, local governmental units, and other
5 nonprofit organizations for stream habitat stabilization and soil
6 erosion control.

7 (2) The fisheries division in the department shall develop
8 priority and cost estimates for all projects recommended for grants
9 under subsection (1).

10 Sec. 602. As a condition of expenditure of fisheries
11 management appropriations under part 1, the department of natural
12 resources shall not impede the certification process for water
13 control structures on Michigan waterways. The department of natural
14 resources shall fund from funds appropriated in part 1 all non-
15 water-quality studies or requirements that the department requests
16 of either of the following:

17 (a) The department of environmental quality as a condition for
18 issuance of a certification under section 401 of the federal water
19 pollution control act, 33 USC 1341.

20 (b) The Federal Energy Regulatory Commission as a condition of
21 licensing under the federal power act, 16 USC 791a to 825r.

22 Sec. 603. The department shall provide an annual report to the
23 legislature on use of funding provided for cormorant management.
24 The department shall use general fund/general purpose revenue for
25 this purpose and submit revenue appropriated in part 1 for
26 cormorant management to the United States Department of Agriculture
27 Animal and Plant Health Inspection Service to allow for increased

1 taking of cormorants and their nests. If any funds appropriated for
2 cormorant management are retained by the department, or other funds
3 become available for this purpose, the department shall use those
4 funds to harass cormorants with the goal of reducing foraging
5 attempts on fish populations.

6 **PARKS AND RECREATION DIVISION**

7 Sec. 706. The department shall work with the state budget
8 office to ensure that the funds appropriated in 2013 PA 102 for the
9 Grand River waterway study continue to be carried forward as a work
10 project under the management and budget act, 1984 PA 431, MCL
11 18.1101 to 18.1594, or until the project is complete.

12 **FOREST RESOURCES DIVISION**

13 Sec. 802. From the funds appropriated in part 1, the
14 department shall provide quarterly reports on the number of acres
15 of state forestland marked or treated for timber harvest to the
16 senate and house appropriations subcommittees on natural resources
17 and the standing committees of the senate and house of
18 representatives with primary responsibility for natural resources
19 issues. The department shall complete and deliver these reports by
20 45 days after the end of the fiscal quarter.

21 Sec. 803. In addition to the money appropriated in part 1, the
22 department may receive and expend money from federal sources to
23 provide response to wildfires as required by a compact with the
24 federal government. If additional expenditure authorization is
25 required, the department shall notify the state budget office that

1 expenditure under this section is required. The department shall
2 notify the house and senate appropriations subcommittees on natural
3 resources and the house and senate fiscal agencies of the
4 expenditures under this section by November 1, 2017.

5 Sec. 807. (1) In addition to the funds appropriated in part 1,
6 there is appropriated from the disaster and emergency contingency
7 fund up to \$800,000.00 to cover costs related to any disaster as
8 defined in section 2 of the emergency management act, 1976 PA 390,
9 MCL 30.402.

10 (2) Funds appropriated under subsection (1) shall not be
11 expended unless the state budget director recommends the
12 expenditure and the department notifies the house and senate
13 committees on appropriations. By December 1 each year, the
14 department shall provide a report to the senate and house fiscal
15 agencies and the state budget office on the use of the disaster and
16 emergency contingency fund during the prior fiscal year.

17 (3) If Federal Emergency Management Agency (FEMA)
18 reimbursement is approved for costs paid from the disaster and
19 emergency contingency fund, the federal revenue shall be deposited
20 into the disaster and emergency contingency fund.

21 (4) Unexpended and unencumbered funds remaining in the
22 disaster and emergency contingency fund at the close of the fiscal
23 year shall not lapse to the general fund and shall be carried
24 forward and be available for expenditures in subsequent fiscal
25 years.

26 Sec. 808. (1) From the increased funds appropriated in part 1
27 for forest management and timber market development, the department

1 shall increase the harvest of timber on state forestlands. The
2 purpose of this program expansion is to expand the forest products
3 economy.

4 (2) The department shall identify specific outcomes and
5 performance metrics for this initiative, such as increasing the
6 number of acres prepared for timber sale.

7 Sec. 809. (1) From the increased funds appropriated in part 1
8 for forest fire equipment and forestry investment, the department
9 shall increase funding for the replacement of aging forest fire
10 suppression equipment that is in disrepair. The purpose of the
11 program expansion is to promote rapid, reliable response to
12 wildfires to protect life, property, and timber assets.

13 (2) The department shall identify specific outcomes and
14 performance metrics for this initiative, such as reducing average
15 wildfire response time.

16 **LAW ENFORCEMENT**

17 Sec. 901. The appropriation in part 1 for snowmobile law
18 enforcement grants shall be used by the department to provide
19 grants to county law enforcement agencies to enforce part 821 of
20 the natural resources and environmental protection act, 1994 PA
21 451, MCL 324.82101 to 324.82161, including rules promulgated under
22 that part and ordinances enacted pursuant to that part. The
23 department shall consider the number of enforcement hours and the
24 number of miles of snowmobile trails in each county in allocating
25 these grants. Any funds not distributed to counties revert back to
26 the snowmobile registration fee subaccount created under section

1 82111 of the natural resources and environmental protection act,
2 1994 PA 451, MCL 324.82111. Counties shall provide semiannual
3 reports to the department on the use of grant money received under
4 this section.

5 Sec. 902. The department shall provide a report on the marine
6 safety grant program to the senate and house appropriations
7 subcommittees on natural resources and the senate and house fiscal
8 agencies by December 1, 2016. The report shall include the
9 following information for the preceding year: the total amount of
10 revenue received for watercraft registrations, the amount deposited
11 into the marine safety fund, and the expenditures made from the
12 marine safety fund, including the amounts expended for department
13 administration, other state agencies, the law enforcement division,
14 and grants to counties. The report shall also include the
15 distribution methodology used by the department to distribute the
16 marine safety grants and a list of the grants and the amounts
17 awarded by county.

18 **GRANTS**

19 Sec. 1001. Federal pass-through funds to local institutions
20 and governments that are received in amounts in addition to those
21 included in part 1 for grants to communities - federal oil, gas,
22 and timber payments and that do not require additional state
23 matching funds are appropriated for the purposes intended. By
24 November 30, 2016, the department shall report to the senate and
25 house appropriations subcommittees on natural resources, the senate
26 and house fiscal agencies, and the state budget director on all

1 amounts appropriated under this section during the fiscal year
2 ending September 30, 2016.

3 **CAPITAL OUTLAY**

4 Sec. 1103. The appropriations in part 1 for capital outlay
5 shall be carried forward at the end of the fiscal year consistent
6 with the provisions of section 248 of the management and budget
7 act, 1984 PA 431, MCL 18.1248.

8 **ONE-TIME BASIS ONLY APPROPRIATIONS**

9 Sec. 1201. (1) From the increased funds appropriated in part 1
10 for forest management and timber market development, the department
11 shall increase the harvest of timber on state forestlands. The
12 purpose of this program expansion is to strategically invest in
13 technology enhancements to expand the growth of the forest products
14 economy.

15 (2) The department shall identify specific outcomes and
16 performance metrics for this initiative, such as adding online
17 services to increase access to state government.

18 Sec. 1202. (1) From the increased funds appropriated in part 1
19 for land ownership tracking system, the department shall establish
20 a replacement electronic system to facilitate state land records
21 management. The purpose of this new project is to increase access
22 to public land records and to integrate antiquated systems.

23 (2) The department shall identify specific outcomes and
24 performance metrics for this initiative, such as adding online
25 services to increase access to state government.

1 Sec. 1203. (1) From the increased funds appropriated in part 1
2 for invasive species prevention and control, the department shall
3 increase funding available for the interdepartmental invasive
4 species program. The purpose of this program expansion is to
5 prevent, detect, eradicate, and control invasive species.

6 (2) The department shall identify specific outcomes and
7 performance metrics for this initiative, such as prevention and
8 mitigation of confirmed cases of silver and bighead carp in
9 Michigan's waterways.

10 Sec. 1204. The appropriation in part 1 for the swimmer's itch
11 pilot program shall be distributed to a Michigan-based nonprofit
12 organization for the purpose of pursuing comprehensive, science-
13 based swimmer's itch mitigation and research by appropriately
14 qualified subject matter experts. It is the intent of the
15 legislature that this program continue to receive funding through
16 the fiscal year ending September 30, 2019.

17 ARTICLE XVI

18 DEPARTMENT OF STATE POLICE

19 PART 1

20 LINE-ITEM APPROPRIATIONS

21 Sec. 101. There is appropriated for the department of state
22 police for the fiscal year ending September 30, 2017, from the
23 following funds:

24 **DEPARTMENT OF STATE POLICE**

25 **APPROPRIATION SUMMARY**

1	Full-time equated unclassified positions.....	3.0	
2	Full-time equated classified positions.....	3,226.0	
3	GROSS APPROPRIATION.....		\$ 649,476,100
4	Interdepartmental grant and intradepartmental		
5	transfer revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		26,580,400
8	ADJUSTED GROSS APPROPRIATION.....		\$ 622,895,700
9	Federal revenues:		
10	Total federal revenues.....		87,967,800
11	Special revenue funds:		
12	Total local revenues.....		5,828,500
13	Total private revenues.....		78,100
14	Total other state restricted revenues.....		126,358,500
15	State general fund/general purpose.....		\$ 402,662,800
16	State general fund/general purpose schedule:		
17	Ongoing state general fund/general		
18	purpose	\$393,962,800	
19	One-time state general fund/general		
20	purpose	8,700,000	
21	Sec. 102. EXECUTIVE DIRECTION AND DEPARTMENTAL		
22	SERVICES		
23	Full-time equated unclassified positions.....	3.0	
24	Full-time equated classified positions.....	103.0	
25	Unclassified positions--3.0 FTE positions.....		\$ 600,200
26	Information technology services and projects		24,425,900
27	Departmentwide.....		38,607,700

1	Departmental services--46.0 FTE positions	7,001,900
2	Executive direction--57.0 FTE positions	<u>8,015,800</u>
3	GROSS APPROPRIATION.....	\$ 78,651,500
4	Appropriated from:	
5	Interdepartmental grant and intradepartmental	
6	transfer revenues:	
7	Total interdepartmental grants and intradepartmental	
8	transfers	776,500
9	Federal revenues:	
10	Total federal revenues.....	1,328,000
11	Special revenue funds:	
12	Total local revenues.....	1,133,100
13	Total other state restricted revenues.....	12,619,500
14	State general fund/general purpose.....	\$ 62,794,400
15	Sec. 103. LAW ENFORCEMENT SERVICES	
16	Full-time equated classified positions..... 505.0	
17	Biometrics and identification--51.0 FTE positions	\$ 8,145,400
18	Criminal justice information center--133.0 FTE	
19	positions	18,485,400
20	Forensic science--248.0 FTE positions	41,556,700
21	Grants and community services--17.0 FTE positions	17,584,000
22	Training--56.0 FTE positions.....	<u>13,030,600</u>
23	GROSS APPROPRIATION.....	\$ 98,802,100
24	Appropriated from:	
25	Interdepartmental grant and intradepartmental	
26	transfer revenues:	
27	Total interdepartmental grants and intradepartmental	

1	transfers	6,216,500
2	Federal revenues:	
3	Total federal revenues.....	17,261,400
4	Special revenue funds:	
5	Total local revenues.....	915,300
6	Total other state restricted revenues.....	35,084,000
7	State general fund/general purpose.....	\$ 39,324,900
8	Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT	
9	STANDARDS	
10	Full-time equated classified positions..... 18.0	
11	Standards and training/justice training grants--14.0	
12	FTE positions	\$ 9,094,500
13	Training only to local units--3.0 FTE positions	654,100
14	Public safety officers benefit program--1.0 FTE	
15	position	<u>151,100</u>
16	GROSS APPROPRIATION.....	\$ 9,899,700
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	175,700
20	Special revenue funds:	
21	Total other state restricted revenues.....	8,830,700
22	State general fund/general purpose.....	\$ 893,300
23	Sec. 105. FIELD SERVICES	
24	Full-time equated classified positions..... 2,089.0	
25	Investigative services--150.5 FTE positions	\$ 28,626,500
26	Secure cities partnership--30.0 FTE positions	7,718,000
27	Roadside saliva testing pilot project	100

1	Post operations--1,908.5 FTE positions	<u>279,967,400</u>
2	GROSS APPROPRIATION.....	\$ 316,312,000
3	Appropriated from:	
4	Interdepartmental grant and intradepartmental	
5	transfer revenues:	
6	Total interdepartmental grants and intradepartmental	
7	transfers	6,776,800
8	Federal revenues:	
9	Total federal revenues.....	6,590,000
10	Special revenue funds:	
11	Total local revenues.....	2,079,000
12	Total other state restricted revenues.....	44,556,900
13	State general fund/general purpose.....	\$ 256,309,300
14	Sec. 106. SPECIALIZED SERVICES	
15	Full-time equated classified positions..... 511.0	
16	Hazardous materials programs--25.0 FTE positions	\$ 35,114,400
17	Commercial vehicle enforcement and inspections--194.0	
18	FTE positions	24,199,100
19	Commercial vehicle regulation--22.0 FTE positions	4,179,600
20	Emergency management and homeland security--60.0 FTE	
21	positions	14,933,800
22	Highway safety planning--26.0 FTE positions	16,130,000
23	Special operations--183.0 FTE positions	31,485,900
24	Secondary road patrol program--1.0 FTE position	<u>11,068,000</u>
25	GROSS APPROPRIATION.....	\$ 137,110,800
26	Appropriated from:	
27	Interdepartmental grant and intradepartmental	

1	transfer revenues:	
2	Total interdepartmental grants and intradepartmental	
3	transfers	12,810,600
4	Federal revenues:	
5	Total federal revenues	62,612,700
6	Special revenue funds:	
7	Total local revenues	1,701,100
8	Total private revenues	78,100
9	Total other state restricted revenues	25,267,400
10	State general fund/general purpose	\$ 34,640,900
11	Sec. 107. ONE-TIME APPROPRIATIONS	
12	Trooper recruit school	\$ 3,200,000
13	Sexual assault prevention and education initiative ...	500,000
14	Advanced 9-1-1	2,200,000
15	Michigan International Speedway traffic control	800,000
16	School safety initiative	<u>2,000,000</u>
17	GROSS APPROPRIATION	\$ 8,700,000
18	Appropriated from:	
19	State general fund/general purpose	\$ 8,700,000

20 PART 2

21 PROVISIONS CONCERNING APPROPRIATIONS

22 FOR FISCAL YEAR 2016-2017

23 **GENERAL SECTIONS**

24 Sec. 201. Pursuant to section 30 of article IX of the state

25 constitution of 1963, total state spending from state resources

under part 1 for fiscal year 2016-2017 is \$529,021,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$17,198,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

Michigan Commission on law enforcement standards....	\$	3,559,700
Specialized services		681,900
Secondary road patrol program.....		10,957,300
School safety initiative		<u>2,000,000</u>
TOTAL.....	\$	17,198,900

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

(a) "CJIS" means Criminal Justice Information Systems.

(b) "Core service" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(c) "Department" means the department of state police.

(d) "Director" means the director of the department.

(e) "DNA" means deoxyribonucleic acid.

(f) "DTMB" means the department of technology, management, and budget.

(g) "MCOLES" means the Michigan commission on law enforcement standards.

(h) "Subcommittees" means the subcommittees of the senate and house standing committees on appropriations with jurisdiction over

1 the budget for the department.

2 (i) "Support service" means an activity required to support
3 the ongoing delivery of core services.

4 Sec. 204. The following are the appropriations from part 1 for
5 interdepartmental grant funds received by the department from
6 sources outside the department: \$2,858,700.00 from training academy
7 charges; \$344,200.00 from the department of corrections contract;
8 \$369,900.00 from the department of state; \$11,627,600.00 from the
9 department of transportation - state trunkline funds; \$6,174,100.00
10 from casino gaming fees; \$689,900.00 from the department of
11 treasury - emergency telephone fund coordinator; and \$750,800.00
12 from the department of treasury - emergency telephone fund
13 operations.

14 Sec. 204a. (1) The following are the appropriations from part
15 1 for interdepartmental grant funds made from the department to
16 other departments:

17	Attorney general - operations.....	\$	257,300
18	Environmental quality.....		1,744,500
19	Military and veterans affairs.....		101,800
20	DTMB - building occupancy charges.....		8,770,100
21	DTMB - accounting service center.....		1,058,500
22	DTMB - information technology.....		24,425,900

23 (2) Based on the availability of federal funding and the
24 demonstrated need as indicated by applications submitted to the
25 state court administrative office, the department shall provide
26 \$1,500,000.00 in Byrne justice assistance grant program funding to
27 the judiciary by interdepartmental grant.

1 Sec. 206. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$10,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in part 1 under section 393(2) of the management and budget act,
6 1984 PA 431, MCL 18.1393.

7 (2) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$3,500,000.00 for state
9 restricted contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in part 1 under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

13 (3) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$1,000,000.00 for local
15 contingency funds. These funds are not available for expenditure
16 until they have been transferred to another line item in part 1
17 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 (4) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$200,000.00 for private
21 contingency funds. These funds are not available for expenditure
22 until they have been transferred to another line item in part 1
23 under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 Sec. 207. The department shall cooperate with the department
26 of technology, management, and budget to maintain a searchable
27 website accessible by the public at no cost that includes, but is

1 not limited to, all of the following:

2 (a) Fiscal year-to-date expenditures by category.

3 (b) Fiscal year-to-date expenditures by appropriation unit.

4 (c) Fiscal year-to-date payments to a selected vendor,
5 including the vendor name, payment date, payment amount, and
6 payment description.

7 (d) The number of active department employees by job
8 classification.

9 (e) Job specifications and wage rates.

10 Sec. 208. The department and agencies receiving appropriations
11 in part 1 shall use the Internet to fulfill the reporting
12 requirements of this part. This requirement may include
13 transmission of reports via electronic mail to the recipients
14 identified for each reporting requirement, or it may include
15 placement of reports on an Internet or Intranet site.

16 Sec. 209. Funds appropriated in part 1 and this part shall not
17 be used for the purchase of foreign goods or services, or both, if
18 competitively priced and of comparable quality American goods or
19 services, or both, are available. Preference shall be given to
20 goods or services, or both, manufactured or provided by Michigan
21 businesses, if they are competitively priced and of comparable
22 quality. In addition, preference shall be given to goods or
23 services, or both, that are manufactured or provided by Michigan
24 businesses owned and operated by veterans, if they are
25 competitively priced and of comparable quality.

26 Sec. 210. The director shall take all reasonable steps to
27 ensure businesses in deprived and depressed communities compete for

1 and perform contracts to provide services or supplies, or both. The
2 director shall strongly encourage firms with which the department
3 contracts to subcontract with certified businesses in depressed and
4 deprived communities for services or supplies, or both.

5 Sec. 215. A department or state agency shall not take
6 disciplinary action against an employee for communicating with a
7 member of the legislature or his or her staff.

8 Sec. 218. The departments and agencies receiving
9 appropriations in part 1 shall prepare a report on out-of-state
10 travel expenses not later than January 1 of each year. The travel
11 report shall be a listing of all travel by classified and
12 unclassified employees outside this state in the immediately
13 preceding fiscal year that was funded in whole or in part with
14 funds appropriated in the department's budget. The report shall be
15 submitted to the senate and house appropriations committees, the
16 senate and house fiscal agencies, and the state budget director.
17 The report shall include the following information:

18 (a) The dates of each travel occurrence.

19 (b) The transportation and related costs of each travel
20 occurrence, including the proportion funded with state general
21 fund/general purpose revenues, the proportion funded with state
22 restricted revenues, the proportion funded with federal revenues,
23 and the proportion funded with other revenues.

24 Sec. 219. The department shall provide quarterly reports to
25 the subcommittees, the senate and house fiscal agencies, and the
26 state budget office that provide the following data:

27 (a) A list of major work projects, including the status of

1 each project.

2 (b) The department's financial status, featuring a report of
3 budgeted versus actual expenditures by part 1 line item including a
4 year-end projection of budget requirements. If projected department
5 budget requirements exceed the allocated budget, the report shall
6 include a plan to reduce overall expenses while still satisfying
7 specified service level requirements.

8 (c) A report on the performance metrics cited or information
9 required to be reported in this part, reasons for nonachievement of
10 metric targets, and proposed corrective actions.

11 Sec. 221. The appropriations in part 1 are for the core
12 services, support services, and work projects of the department,
13 including, but not limited to, the following core services:

- 14 (a) State security operations.
- 15 (b) Training.
- 16 (c) Michigan commission on law enforcement standards.
- 17 (d) Criminal justice information systems.
- 18 (e) Forensic analysis and biometric identification.
- 19 (f) General law enforcement and criminal investigations.
- 20 (g) Special operations.
- 21 (h) Commercial vehicle regulation and enforcement.
- 22 (i) Emergency management and homeland security.
- 23 (j) Highway safety planning.
- 24 (k) Secondary road patrol program.

25 Sec. 222. The department shall notify the subcommittees, the
26 chairpersons of the senate and house standing committees on
27 appropriations, and the senate and house fiscal agencies not less

1 than 90 days before recommending to close or consolidate any state
2 police posts. The notification shall include a local and state
3 impact study of the proposed post closure or consolidation.

4 Sec. 223. At least 90 days before beginning any effort to
5 privatize, the department shall submit a complete project plan to
6 the subcommittees and the senate and house fiscal agencies. The
7 plan shall include the criteria under which the privatization
8 initiative will be evaluated. The evaluation shall be completed and
9 submitted to the subcommittees and the senate and house fiscal
10 agencies within 30 months.

11 Sec. 224. Funds appropriated in part 1 shall not be used by a
12 principal executive department, state agency, or authority to hire
13 a person to provide legal services that are the responsibility of
14 the attorney general. This prohibition does not apply to legal
15 services for bonding activities and for those outside services that
16 the attorney general authorizes.

17 Sec. 226. (1) When the department provides contractual
18 services to a local unit of government, the department shall be
19 reimbursed for all costs incurred in providing the services,
20 including, but not limited to, retirement and overtime costs.

21 (2) The department shall define service cost models for those
22 services requiring reimbursement.

23 (3) Contractual services provided to an entity other than a
24 local unit of government may be provided by department personnel,
25 but only on an overtime basis outside the normal work schedule of
26 the personnel.

27 (4) This section does not apply to services provided to state

1 agencies.

2 Sec. 228. Not later than November 30, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriations lapses at the
5 close of the prior fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major departmental program or program areas. The report
8 shall be transmitted to the chairpersons of the senate and house
9 appropriations committees, the subcommittees, and the senate and
10 house fiscal agencies.

11 Sec. 229. Within 14 days after the release of the executive
12 budget recommendation, the department shall cooperate with the
13 state budget office to provide the senate and house appropriations
14 chairs, the subcommittees, and the senate and house fiscal agencies
15 with an annual report on estimated state restricted fund balances,
16 state restricted fund projected revenues, and state restricted fund
17 expenditures for the fiscal years ending September 30, 2016 and
18 September 30, 2017.

19 Sec. 230. The department shall maintain, on a publicly
20 accessible website, a department scorecard that identifies, tracks,
21 and regularly updates key metrics that are used to monitor and
22 improve the department's performance.

23 Sec. 232. The department shall serve as an active liaison
24 between the DTMB and state, local, regional, and federal public
25 safety agencies on matters pertaining to the Michigan public safety
26 communications system and shall report user issues to the DTMB.

27 Sec. 233. Total authorized appropriations from all sources

1 under part 1 for legacy costs for the fiscal year ending September
2 30, 2017 are \$133,307,100.00. From this amount, total agency
3 appropriations for pension-related legacy costs are estimated at
4 \$71,007,700.00. Total agency appropriations for retiree health care
5 legacy costs are estimated at \$62,299,400.00.

6 Sec. 238. Money privately donated to the department is
7 appropriated under part 1 to be used for the purposes designated by
8 the donor of the money, if specified.

9 Sec. 241. (1) Federal revenues authorized by and available
10 from the federal government in excess of the appropriation in part
11 1 are appropriated and may be received and expended by the
12 department for purposes authorized under state law and subject to
13 federal requirements.

14 (2) The department shall notify the subcommittees and fiscal
15 agencies prior to expending federal revenues received and
16 appropriated under subsection (1).

17 **EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES**

18 Sec. 301. (1) The department shall provide security services
19 at the State Capitol Complex facilities and the State Secondary
20 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

21 (2) The department shall maintain the staff and resources
22 necessary to respond to emergencies at the State Capitol Complex,
23 State Secondary Complex, House Office Building, Farnum Building,
24 Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking
25 Ramp, and other areas as directed.

26 (3) The department may develop a phased approach for improving

1 security at the Capitol Building.

2 (4) The department shall maintain a goal of annually
3 conducting 35,000 property inspections of state owned and leased
4 facilities.

5 **LAW ENFORCEMENT SERVICES**

6 Sec. 401. (1) The department shall maintain the staffing and
7 resources necessary to exercise the authority, powers, functions,
8 and responsibilities concerning the development and delivery of
9 professional, innovative, and quality training that supports the
10 enforcement and public safety efforts of the criminal justice
11 community.

12 (2) The department shall provide performance data as provided
13 under section 219 for average classroom occupancy rate, with an
14 annual goal of at least 55%.

15 (3) The department shall submit a report to the subcommittees
16 and the senate and house fiscal agencies within 60 days of the
17 conclusion of any trooper, motor carrier, or state properties
18 security recruit school. The report shall include the following:

19 (a) The number of veterans and the number of MCOLES-certified
20 police officers who were admitted to and the number who graduated
21 from the recruit school.

22 (b) The total number of recruits who were admitted to the
23 school, the number of recruits who graduated from the school, and
24 the location at which each of these recruits is assigned.

25 (4) The department shall distribute and review course
26 evaluations to ensure that quality training is provided.

1 Sec. 402. (1) In accordance with applicable state and federal
2 laws and regulations, the department shall maintain and ensure
3 compliance with CJIS databases and applications in the support of
4 public safety and law enforcement communities.

5 (2) The department shall improve the accuracy, timeliness, and
6 completeness of criminal history information by conducting a
7 minimum of 30 outreach activities targeted to criminal justice
8 agencies.

9 (3) The department shall provide for the compilation of crime
10 statistics consistent with the uniform crime reporting (UCR)
11 program and the national incident-based report system (NIBRS).

12 (4) The department shall provide for the compilation and
13 evaluation of traffic crash reports and the maintenance of the
14 state accident data collection system.

15 (5) The department shall make traffic crash information
16 available to the public at a reasonable cost. For bulk access to
17 the accident records in which the vehicle identification number has
18 been collected and computerized, the department shall make those
19 records available to the public at cost, provided that the name and
20 address have been excluded.

21 (6) In accordance with applicable state and federal laws and
22 regulations, the department shall provide for the maintenance and
23 dissemination of criminal history records and juvenile records,
24 including to the extent necessary to exchange criminal history
25 records information with the Federal Bureau of Investigation and
26 other states through the interstate identification index, the
27 National Crime Information Center, and other federal CJIS databases

1 and indices.

2 (7) In accordance with applicable state and federal laws, the
3 department shall provide for the maintenance of records, including
4 criminal history records regarding firearms licensure.

5 (8) The department shall provide to the legislature a report
6 on concealed pistol licensing not later than December 1, 2017 that
7 includes all of the following:

8 (a) The department's actual revenue received from fees paid
9 for concealed pistol license (CPL) applications for fiscal year
10 2016-2017 and the uses of that revenue.

11 (b) The department's fiscal year 2016-2017 costs for
12 administering its concealed pistol licensing responsibilities under
13 1927 PA 372, MCL 28.421 to 28.435, but not including costs related
14 to the administration of other state statutes, or requirements of
15 federal law.

16 (9) The department shall maintain the staff and resources
17 necessary to maintain the sex offender registry and enforce the
18 registration requirements as provided by law.

19 (10) The department shall provide information on the number of
20 background checks processed through the Internet criminal history
21 access tool (ICHAT) as provided in section 219.

22 (11) The following unexpended and unencumbered revenues
23 deposited into the criminal justice information service fee fund
24 shall not lapse to the general fund, but shall be carried forward
25 into the subsequent fiscal year:

26 (a) Fees for fingerprinting and criminal record checks and
27 name-based criminal record checks pursuant to 1935 PA 120, MCL

1 28.271 to 28.273.

2 (b) Fees for application and licensing for initial and renewal
3 concealed pistol licenses pursuant to 1927 PA 372, MCL 28.421 to
4 28.435.

5 (c) Fees for searching, copying, and providing public records
6 pursuant to the freedom of information act, 1976 PA 442, MCL 15.231
7 to 15.246.

8 (d) Revenue from other sources, including, but not limited to,
9 investment and interest earnings.

10 (12) Unexpended and unencumbered revenue generated by state
11 records management system fees shall not lapse to the general fund,
12 but shall be carried forward into the subsequent fiscal year.

13 Sec. 403. (1) The department shall provide forensic testing
14 services to aid in criminal investigations.

15 (2) The department shall ensure its ability to maintain
16 accreditation by the American Society of Crime Laboratory
17 Directors/Laboratory Accreditation Board (ASCLD/LAB), or other
18 federally designated accrediting agency, as provided under 42 USC
19 14132.

20 (3) The department shall provide forensic science services
21 with an average turnaround time of 55 days, assuming an annual
22 caseload volume commensurate with that received in fiscal year
23 2012-2013, and shall achieve a goal of a 30-day average turnaround
24 time across all forensic science disciplines by December 31, 2017.

25 (4) The department shall provide the following data as
26 provided in section 219:

27 (a) The average turnaround time for processing forensic

1 evidence across all disciplines.

2 (b) Forensic laboratory staffing levels, including scientists
3 in training, and vacancies.

4 (c) The number of backlogged cases in each discipline.

5 (5) The department shall maintain the staffing and resources
6 necessary to provide forensic laboratory services with a goal of
7 decreasing firearms backlog annually until the department maintains
8 a 30-day turnaround time across all disciplines.

9 (6) The department shall maintain the staffing and resources
10 necessary to provide forensic laboratory services with a goal of
11 decreasing toxicology backlog annually until the department
12 maintains a 30-day turnaround time across all disciplines.

13 (7) The department shall provide for the forensic testing and
14 analysis/profiling of DNA evidence to aid criminal investigations
15 by law enforcement agencies in this state.

16 (8) If changes are made to the department's protocol for
17 retaining and purging DNA analysis samples and records, the
18 department shall post a copy of the protocol changes on the
19 department's website.

20 (9) The department shall maintain the staffing and resources
21 necessary to provide DNA analysis services with a goal of
22 decreasing backlogs of biology/DNA cases annually until the
23 department maintains a 30-day turnaround time across all
24 disciplines.

25 Sec. 404. (1) The biometrics and identification division shall
26 house and manage the automated fingerprint identification system,
27 the statewide network of agency photographs, and combined offender

1 DNA index system biometric databases.

2 (2) The department shall provide data on the number of 10-
3 print and palm-print submissions to the database, with a goal of at
4 least 97% of submissions provided electronically as provided in
5 section 219.

6 (3) The department shall maintain the staffing and resources
7 necessary to have a 28-day average wait time for scheduling a
8 polygraph examination, assuming an annual caseload received
9 commensurate with fiscal year 2012-2013, with a goal of achieving a
10 15-day average wait time.

11 Sec. 405. Not later than October 31 of the subsequent fiscal
12 year, the department shall submit a report to the subcommittees and
13 senate and house fiscal agencies that includes, but is not limited
14 to, all of the following information:

15 (a) Sexual assault kit analysis backlog at the beginning of
16 the current fiscal year.

17 (b) The number of sexual assault kits collected or submitted
18 for analysis during the current fiscal year.

19 (c) The number of sexual assault kits analyzed and the number
20 of associated DNA profiles created and uploaded during the current
21 fiscal year.

22 (d) Sexual assault kit analysis backlog at the ending of the
23 current fiscal year.

24 (e) The average turnaround time to analyze sexual assault kits
25 and to create and upload associated DNA profiles for the current
26 fiscal year.

27 Sec. 406. The department shall provide administrative support

1 for the following grant and community service programs:

2 (a) The operations of the automobile theft prevention
3 authority.

4 (b) Administration of the Edward Byrne memorial justice
5 assistance program and other grant programs as well as the
6 department's community policing efforts.

7 (c) Oversight and administration of 9-1-1 operations
8 statewide.

9 **MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

10 Sec. 501. (1) MCOLES shall maintain the staffing and resources
11 necessary to exercise the authority, powers, functions, and
12 responsibilities necessary to establish standards for the
13 selection, employment, training, education, licensing, and
14 revocation of all law enforcement officers and provide the basic
15 law enforcement training curriculum for law enforcement training
16 academy programs statewide.

17 (2) MCOLES shall maintain staffing and resources necessary to
18 update law enforcement standards within 120 days of the enactment
19 date of any new legislation.

20 **FIELD SERVICES**

21 Sec. 601. (1) Department enlisted personnel who are employed
22 to enforce traffic laws as provided in section 629e of the Michigan
23 vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited
24 from responding to crimes in progress or other emergency situations
25 and are responsible for making every effort to protect all

1 residents of this state.

2 (2) The department shall maintain the staffing and resources
3 necessary to continually work to enhance traffic safety throughout
4 this state and shall dedicate a minimum of 400,000 hours to
5 statewide patrol, of which a minimum of 40,000 shall be committed
6 to distressed cities in this state, and 4,000 shall be committed to
7 Belle Isle. The department shall work to improve public safety
8 efforts within distressed cities by enhancing data analysis
9 capabilities and identifying crime trends and areas with high
10 occurrence of crime.

11 (3) The department shall maintain the staffing and resources
12 necessary to perform activities to maintain a 93% compliance rate
13 for reporting by registered sex offenders.

14 (4) The department shall submit a report on or before December
15 1 to the subcommittees and senate and house fiscal agencies
16 regarding the secure cities partnership during the prior fiscal
17 year.

18 Sec. 602. (1) The department shall identify and apprehend
19 criminals through criminal investigations in this state.

20 (2) The department shall maintain the staffing and resources
21 necessary to provide a comparable number of hours investigating
22 crimes as those performed in fiscal year 2012-2013.

23 (3) The department shall maintain the staffing and resources
24 necessary to annually meet or exceed a case clearance rate of 62%.

25 (4) The department shall annually provide 4 training
26 opportunities to local law enforcement partners with the goal of
27 increasing their knowledge of gambling laws, trends, legal issues,

1 and opioid-related investigations.

2 (5) The department shall maintain the staffing and resources
3 necessary to increase the number of opioid-related investigations
4 by 20% above the number of such investigations conducted in the
5 2014-2015 fiscal year conducted by multijurisdictional task forces
6 and hometown security teams. The department shall work to enhance
7 investigative and drug interdiction efforts by enhancing data
8 analysis capabilities and linking investigations among
9 multijurisdictional task forces and hometown security teams.

10 Sec. 603. (1) The department shall provide protection to this
11 state, its economy, welfare, and vital state-sponsored programs
12 through the prevention and suppression of organized smuggling of
13 untaxed tobacco products in the state, through enforcement of the
14 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
15 other laws pertaining to combating criminal activity in this state,
16 by maintaining a tobacco tax enforcement unit.

17 (2) The department shall submit an annual report on December 1
18 to the subcommittees, the senate and house appropriations
19 subcommittees on general government, the senate and house fiscal
20 agencies, and the state budget office that details expenditures and
21 activities related to tobacco tax enforcement for the prior fiscal
22 year.

23 (3) The tobacco tax enforcement unit shall dedicate a minimum
24 of 16,600 hours to tobacco tax enforcement.

25 Sec. 604. (1) The department shall provide fire investigation
26 services to citizens of this state through training and
27 investigative assistance to public safety agencies in this state.

1 (2) The department shall maintain the staffing and resources
2 necessary to maintain readiness to respond appropriately to at
3 least the number of requests for fire investigation services that
4 occurred in fiscal year 2010-2011 and shall be available for call
5 out statewide 100% of the time.

6 **SPECIALIZED SERVICES**

7 Sec. 701. (1) The department shall provide specialized
8 services in support of, and to enhance, local, state, and federal
9 law enforcement operations within this state in accordance with all
10 applicable state and federal laws and regulations.

11 (2) The department shall operate the Michigan intelligence
12 operation center for homeland security as the state's primary
13 federally designated fusion center to receive, analyze, gather, and
14 disseminate threat-related information among federal, state, local,
15 tribal, and private sector partners.

16 (3) The department shall ensure public safety by providing
17 public and private sector partners with timely and accurate
18 information regarding critical information key resource threats as
19 reported to or discovered by the Michigan intelligence operations
20 center for homeland security and shall increase public awareness on
21 how to report suspicious activity through website or telephone
22 communications.

23 (4) The department shall maintain the staffing and resources
24 necessary to provide training to maintain readiness to respond
25 appropriately to at least the number of requests for specialty
26 services which occurred in fiscal year 2010-2011.

1 (5) The canine unit shall be available for call out statewide
2 100% of the time.

3 (6) The bomb squad unit shall be available for call out
4 statewide 100% of the time.

5 (7) The emergency support teams shall be available for call
6 out statewide 100% of the time.

7 (8) The underwater recovery unit shall be available for call
8 out statewide 100% of the time.

9 (9) Aviation services shall be available for call out
10 statewide 100% of the time, unless prohibited by weather or
11 unexpected mechanical breakdowns.

12 (10) The department shall maintain the staffing and resources
13 necessary to support the cyber section, including the Michigan
14 cyber command center, the computer crimes unit, and the Internet
15 crimes against children task force. The department shall maintain
16 the staffing and resources necessary to increase the number of
17 cases completed by the computer crimes unit by 20% above the number
18 of cases completed in the 2014-2015 fiscal year. The unit shall
19 pursue process improvement initiatives to effectively utilize staff
20 resources in providing investigatory assistance and evidentiary
21 analysis for law enforcement and criminal justice agencies
22 statewide.

23 Sec. 702. (1) The department shall maintain commercial vehicle
24 regulation, school bus inspections, and enforcement activities,
25 including enforcement of requirements concerning size, weight, and
26 load restrictions; operating authority; registration; fuel taxes;
27 transportation of hazardous materials; operations of new entrants;

1 and commercial driver's licenses.

2 (2) The department shall maintain the staffing and resources
3 necessary to meet inspection goals consistent with the department's
4 federal motor carrier assistance program activities.

5 (3) Revenue collected under the motor carrier act, 1933 PA
6 254, MCL 475.1 to 479.42, shall be expended in accordance with that
7 act. Unexpended and unencumbered revenues shall not lapse to the
8 general fund but shall be carried forward into the subsequent
9 fiscal year.

10 Sec. 703. (1) The department shall coordinate the mitigation,
11 preparation, response, and recovery activities of municipal,
12 county, state, and federal governments, and other governmental
13 entities, for all hazards, disasters, and emergencies.

14 (2) The state director of emergency management may expend
15 money appropriated under part 1 to call upon any agency or
16 department of the state or any resource of the state to protect
17 life or property or to provide for the health or safety of the
18 population in any area of the state in which the governor proclaims
19 a state of emergency or state of disaster under 1945 PA 302, MCL
20 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
21 MCL 30.401 to 30.421. The state director of emergency management
22 may expend the amounts the director considers necessary to
23 accomplish these purposes. The director shall submit to the state
24 budget director as soon as possible a complete report of all
25 actions taken under the authority of this section. The report shall
26 contain, as a separate item, a statement of all money expended that
27 is not reimbursable from federal money. The state budget director

1 shall review the expenditures and submit recommendations to the
2 legislature in regard to any possible need for a supplemental
3 appropriation.

4 (3) In addition to the money appropriated in part 1, the
5 department may receive and expend money from local, private,
6 federal, or state sources for the purpose of providing emergency
7 management training to local or private interests and for the
8 purpose of supporting emergency preparedness, response, recovery,
9 and mitigation activity. If additional expenditure authorization in
10 the Michigan administrative information network is approved by the
11 state budget office under this section, the department and the
12 state budget office shall notify the subcommittees and the senate
13 and house fiscal agencies within 10 days after the approval. The
14 notification shall include the amount and source and the additional
15 authorization, the date of its approval, and the projected use of
16 funds to be expended under the authorization.

17 (4) The department shall foster, promote, and maintain
18 partnerships to protect this state and homeland from all hazards.

19 (5) The department shall maintain the staffing and resources
20 necessary to do all of the following:

21 (a) Serve approximately 105 local emergency management
22 preparedness programs and 88 local emergency planning committees in
23 this state.

24 (b) Operate and maintain the state's emergency operations
25 center and provide command and control in support of emergency
26 response services.

27 (c) Maintain readiness, including training and equipment to

1 respond to civil disorders and natural disasters commensurate with
2 the capabilities of fiscal year 2010-2011.

3 (d) Perform hazardous materials response training.

4 (6) The department shall conduct a minimum of 3 training
5 sessions to enhance safe response in the event of natural or
6 manmade incidents, emergencies, or disasters.

7 (7) In addition to the funds appropriated in part 1, there is
8 appropriated from the disaster and emergency contingency fund an
9 amount necessary to cover costs related to any disaster or
10 emergency as defined in the emergency management act, 1976 PA 390,
11 MCL 30.401 to 30.421. Funds shall be expended as provided under
12 sections 18 and 19 of the emergency management act, 1976 PA 390,
13 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
14 administrative code.

15 (8) Funds in the disaster and emergency contingency fund shall
16 not be expended unless the state budget director approves the
17 expenditure and the department and the state budget office notify
18 the senate and house appropriations committees. If expenditures are
19 made from the disaster and emergency contingency fund during a
20 month, the department shall submit monthly reports to the house and
21 senate fiscal agencies detailing the purpose of the expenditures.
22 These monthly reports shall be submitted within 30 days after the
23 end of the month during which funds from the disaster and emergency
24 contingency fund were expended.

25 (9) Upon the declaration of a state of emergency or disaster
26 by the governor pursuant to section 3 of the emergency management
27 act, 1976 PA 390, MCL 30.403, approval of the state budget

1 director, and notification of the subcommittees and house and
2 senate fiscal agencies, the director may expend funds appropriated
3 from any source to any line item within part 1 for the purpose of
4 paying the necessary and reasonable expenses incurred by the
5 department in responding to or mitigating the effects of any
6 emergency or disaster as those terms are defined in section 2 of
7 the emergency management act, 1976 PA 390, MCL 30.402.

8 Sec. 704. The department shall provide for the planning,
9 administration, and implementation of highway traffic safety
10 programs to save lives and reduce injuries on Michigan roads in
11 partnership with other public and private organizations.

12 **SECONDARY ROAD PATROL PROGRAM**

13 Sec. 801. (1) The department shall provide funding to county
14 sheriff departments to patrol secondary roads.

15 (2) The sheriffs' duties under the secondary road patrol
16 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are
17 to patrol and monitor traffic violations; to enforce the criminal
18 laws of this state, violations of which are observed by or brought
19 to the attention of the sheriff's department while patrolling and
20 monitoring secondary roads; to investigate accidents involving
21 motor vehicles; and to provide emergency assistance to persons on
22 or near a highway or road the sheriff is patrolling and monitoring.

23 (3) The department shall provide the following information on
24 secondary road patrol activities supported by appropriations in
25 part 1, as provided in section 219:

26 (a) The number of funded full-time equivalent county sheriff

1 secondary road patrol deputies.

2 (b) The number of hours dedicated to patrol under the
3 secondary road patrol program, with an annual goal of at least
4 178,000 hours.

5 (4) The information required to be reported under subsection
6 (3) shall be reported on an annual basis.

7 **ONE-TIME APPROPRIATIONS**

8 Sec. 901. (1) Funding appropriated in part 1 for the school
9 safety initiative shall be used to provide and administer
10 competitive grants to public or nonpublic schools, school
11 districts, and intermediate school districts to purchase technology
12 and equipment and to conduct assessments to improve the safety and
13 security of school buildings, students, and staff.

14 (2) The department shall issue grant guidance and application
15 materials including required performance measures no later than
16 November 1, 2016 and shall issue awards no later than February 28,
17 2017.

18 (3) The department shall report on grant activities to the
19 subcommittees and the state budget office by December 1, 2017,
20 including performance outcomes as identified in individual grant
21 agreements.

22 Sec. 902. (1) Funding provided in part 1 for the sexual
23 assault prevention and education initiative shall be used to
24 provide and administer grants to public or nonpublic community
25 colleges, colleges, and universities with a physical presence in
26 the state to address campus sexual assault issues to improve the

1 safety and security of students, faculty, and staff in campus
2 environments in the state.

3 (2) Grant funds awarded shall support sexual assault programs,
4 including education, awareness, prevention, reporting, and
5 bystander intervention programs.

6 (3) The department shall issue awards no later than December
7 1, 2016, with a grant period of 1 year.

8 (4) The department shall report on grant activities to the
9 subcommittees and the state budget office by February 28, 2018.

10 (5) Unexpended and appropriations in part 1 for the sexual
11 assault prevention and education initiative are designated as work
12 project appropriations. Any unencumbered or unallotted funds at the
13 end of the fiscal year shall be carried forward into the succeeding
14 fiscal year. The following is in compliance with section 451a(1) of
15 the management and budget act, 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the project is to provide grants for sexual
17 assault education, awareness, prevention, reporting, and bystander
18 intervention programs.

19 (b) The project will be accomplished by grants to eligible
20 community colleges, colleges, and universities.

21 (c) The total estimated cost of the project is \$500,000.00.

22 (d) The estimated completion date is September 30, 2018.

23 Sec. 903. Funding appropriated in part 1 for advanced 9-1-1
24 shall be used to support the costs for the administration and
25 initial implementation of a supplemental 9-1-1 database that allows
26 public safety answering points to view voluntarily disclosed
27 information relevant to the 9-1-1 caller, including information on

1 properties and household members, that would assist first
2 responders in providing emergency services to the caller. The
3 implementation of the database among public safety answering points
4 and the funding for this purpose shall be overseen and administered
5 by the office of the state 9-1-1 coordinator. Funds shall be
6 payable by the office to a vendor based upon the number of public
7 safety answering points implementing a supplemental database.
8 Public safety answering points choosing to implement a supplemental
9 database shall begin implementation by not later than October 1,
10 2018 to be eligible for funds provided under this section. Funds
11 appropriated for advanced 9-1-1 shall be considered a work project,
12 and unexpended and unencumbered funds shall be carried forward into
13 the subsequent fiscal year.

14 PART 2A

15 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

16 FOR FISCAL YEAR 2017-2018

17 **GENERAL SECTIONS**

18 Sec. 1201. It is the intent of the legislature to provide
19 appropriations for the fiscal year ending on September 30, 2018 for
20 the line items listed in part 1. The fiscal year 2017-2018
21 appropriations are anticipated to be the same as those for fiscal
22 year 2016-2017, excluding appropriations designated as one-time
23 appropriations and adjusting for changes in caseload and related
24 costs, federal fund match rates, economic factors, and available
25 revenue. These adjustments will be determined after the January

1 2017 consensus revenue estimating conference.

2 ARTICLE XVII

3 STATE TRANSPORTATION DEPARTMENT

4 PART 1

5 LINE-ITEM APPROPRIATIONS

6 Sec. 101. There is appropriated for the state transportation
7 department for the fiscal year ending September 30, 2017, from the
8 following funds:

9 **STATE TRANSPORTATION DEPARTMENT**

10 APPROPRIATION SUMMARY

11 Full-time equated unclassified positions..... 6.0

12 Full-time equated classified positions..... 2,912.3

13 GROSS APPROPRIATION..... \$ 4,114,503,600

14 Total interdepartmental grants and intradepartmental

15 transfers 4,013,400

16 ADJUSTED GROSS APPROPRIATION..... \$ 4,110,490,200

17 Federal revenues:

18 Federal aid - transportation programs 1,314,744,000

19 Total federal revenues 1,314,744,000

20 Special revenue funds:

21 Local revenues 50,418,500

22 Private revenues 100,000

23 Total local and private revenues 50,518,500

24 Blue Water Bridge fund 42,450,200

25 Comprehensive transportation fund 320,500,700

1	Economic development fund.....	36,475,000
2	IRS debt service rebate.....	7,011,800
3	Intercity bus equipment fund.....	100,000
4	Local bridge fund.....	29,875,100
5	Michigan transportation fund.....	1,333,620,100
6	Qualified airport fund.....	8,775,000
7	Rail freight fund.....	6,000,000
8	State aeronautics fund.....	20,238,200
9	State trunkline fund.....	931,681,600
10	Total other state restricted revenues.....	2,736,727,700
11	State general fund/general purpose.....	\$ 8,500,000
12	State general fund/general purpose schedule:	
13	Ongoing state general fund/general	
14	purpose	0
15	One-time state general fund/general	
16	purpose	8,500,000
17	Sec. 102. DEBT SERVICE	
18	State trunkline.....	\$ 194,076,400
19	Economic development.....	11,612,200
20	Local bridge fund.....	2,406,500
21	Blue Water Bridge fund.....	6,963,900
22	Airport safety and protection plan.....	4,616,400
23	Comprehensive transportation.....	<u>18,249,900</u>
24	GROSS APPROPRIATION.....	\$ 237,925,300
25	Appropriated from:	
26	Federal revenues:	
27	Federal aid - transportation programs.....	45,767,900

1	Special revenue funds:	
2	Blue Water Bridge fund.....	6,963,900
3	Comprehensive transportation fund.....	18,249,900
4	Economic development fund.....	11,612,200
5	IRS debt service rebate.....	7,011,800
6	Local bridge fund.....	2,406,500
7	State aeronautics fund.....	4,616,400
8	State trunkline fund.....	141,296,700
9	State general fund/general purpose.....	\$ 0
10	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY	
11	SUPPORT SERVICES	
12	MTF grant to department of environmental quality.....	\$ 1,335,100
13	MTF grant to department of state for collection of	
14	revenue and fees	20,000,000
15	MTF grant to department of treasury.....	2,684,100
16	MTF grant to legislative auditor general.....	315,800
17	STF grant to department of attorney general.....	2,429,200
18	STF grant to civil service commission.....	5,847,000
19	STF grant to department of technology, management, and	
20	budget	1,226,000
21	STF grant to department of state police.....	11,627,600
22	STF grant to department of treasury.....	157,900
23	STF grant to legislative auditor general.....	733,500
24	SAF grant to department of attorney general.....	177,600
25	SAF grant to civil service commission.....	150,000
26	SAF grant to department of technology, management, and	
27	budget	33,500

1	SAF grant to department of treasury.....	73,900
2	SAF grant to legislative auditor general.....	30,300
3	CTF grant to department of attorney general.....	204,500
4	CTF grant to civil service commission.....	200,000
5	CTF grant to department of technology, management, and	
6	budget	42,200
7	CTF grant to department of treasury.....	13,500
8	CTF grant to legislative auditor general.....	<u>39,000</u>
9	GROSS APPROPRIATION.....	\$ 47,320,700
10	Appropriated from:	
11	Special revenue funds:	
12	Comprehensive transportation fund.....	499,200
13	Michigan transportation fund.....	24,335,000
14	State aeronautics fund.....	465,300
15	State trunkline fund.....	22,021,200
16	State general fund/general purpose.....	\$ 0
17	Sec. 104. EXECUTIVE DIRECTION	
18	Full-time equated unclassified positions..... 6.0	
19	Full-time equated classified positions..... 29.3	
20	Unclassified salaries.....	\$ 754,000
21	Asset management council.....	1,626,400
22	Commission audit--29.3 FTE positions.....	<u>3,335,900</u>
23	GROSS APPROPRIATION.....	\$ 5,716,300
24	Appropriated from:	
25	Special revenue funds:	
26	Michigan transportation fund.....	1,626,400
27	State trunkline fund.....	4,089,900

1	State general fund/general purpose	\$	0
2	Sec. 105. BUSINESS SUPPORT		
3	Full-time equated classified positions	54.0	
4	Business support services--44.0 FTE positions	\$	6,756,100
5	Economic development and enhancement programs--10.0		
6	FTE positions		1,633,200
7	Property management		7,112,200
8	Worker's compensation		<u>1,711,200</u>
9	GROSS APPROPRIATION	\$	17,212,700
10	Appropriated from:		
11	Special revenue funds:		
12	Comprehensive transportation fund		1,835,100
13	Economic development fund		378,100
14	Michigan transportation fund		801,100
15	State aeronautics fund		752,100
16	State trunkline fund		13,446,300
17	State general fund/general purpose	\$	0
18	Sec. 106. INFORMATION TECHNOLOGY		
19	Information technology services and projects	\$	<u>32,364,500</u>
20	GROSS APPROPRIATION	\$	32,364,500
21	Appropriated from:		
22	Federal revenues:		
23	Federal aid - transportation programs		520,500
24	Special revenue funds:		
25	Blue Water Bridge fund		55,100
26	Comprehensive transportation fund		224,400
27	Economic development fund		37,200

1	Michigan transportation fund.....	293,300
2	State aeronautics fund.....	175,100
3	State trunkline fund.....	31,058,900
4	State general fund/general purpose.....	\$ 0
5	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	
6	Full-time equated classified positions.....	186.0
7	Finance, contracts, and support services--186.0 FTE	
8	positions	\$ <u>21,791,700</u>
9	GROSS APPROPRIATION.....	\$ 21,791,700
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG for accounting service center user charges	4,013,400
13	Special revenue funds:	
14	Michigan transportation fund.....	1,621,700
15	State trunkline fund.....	16,156,600
16	State general fund/general purpose.....	\$ 0
17	Sec. 108. TRANSPORTATION PLANNING	
18	Full-time equated classified positions.....	140.0
19	Planning services--140.0 FTE positions	\$ 38,481,100
20	Grants to regional planning councils	<u>488,800</u>
21	GROSS APPROPRIATION.....	\$ 38,969,900
22	Appropriated from:	
23	Federal revenues:	
24	Federal aid - transportation programs	19,250,000
25	Special revenue funds:	
26	Comprehensive transportation fund.....	610,500
27	Michigan transportation fund.....	9,571,400

1	State aeronautics fund.....	15,000
2	State trunkline fund.....	9,523,000
3	State general fund/general purpose.....	\$ 0
4	Sec. 109. DESIGN AND ENGINEERING SERVICES	
5	Full-time equated classified positions.....	1,589.3
6	Program development, delivery, and systems	
7	operations--1,539.3 FTE positions.....	\$ 166,199,900
8	Welcome center operations--50.0 FTE positions	<u>4,532,800</u>
9	GROSS APPROPRIATION.....	\$ 170,732,700
10	Appropriated from:	
11	Federal revenues:	
12	Federal aid - transportation programs	23,529,800
13	Special revenue funds:	
14	Michigan transportation fund.....	12,246,000
15	State trunkline fund.....	134,956,900
16	State general fund/general purpose.....	\$ 0
17	Sec. 110. HIGHWAY MAINTENANCE	
18	Full-time equated classified positions.....	743.7
19	State trunkline operations--743.7 FTE positions	\$ <u>303,948,000</u>
20	GROSS APPROPRIATION.....	\$ 303,948,000
21	Appropriated from:	
22	Special revenue funds:	
23	State trunkline fund.....	303,948,000
24	State general fund/general purpose.....	\$ 0
25	Sec. 111. ROAD AND BRIDGE PROGRAMS	
26	State trunkline federal aid and road and bridge	
27	construction	\$ 1,068,176,900

1	Local federal aid and road and bridge construction...	272,511,000
2	Grants to local programs.....	33,000,000
3	Rail grade crossing.....	3,000,000
4	Rail grade crossing - surface improvements.....	3,000,000
5	Local bridge program.....	27,468,600
6	County road commissions.....	797,470,600
7	Cities and villages.....	<u>444,625,500</u>
8	GROSS APPROPRIATION.....	\$ 2,649,252,600
9	Appropriated from:	
10	Federal revenues:	
11	Federal aid - transportation programs.....	1,030,225,800
12	Special revenue funds:	
13	Local funds.....	30,000,000
14	Blue Water Bridge fund.....	28,998,100
15	Local bridge fund.....	27,468,600
16	Michigan transportation fund.....	1,281,096,100
17	State trunkline fund.....	251,464,000
18	State general fund/general purpose.....	\$ 0
19	Sec. 112. BLUE WATER BRIDGE	
20	Full-time equated classified positions..... 41.0	
21	Blue Water Bridge operations--41.0 FTE positions.....	\$ <u>6,433,100</u>
22	GROSS APPROPRIATION.....	\$ 6,433,100
23	Appropriated from:	
24	Special revenue funds:	
25	Blue Water Bridge fund.....	6,433,100
26	State general fund/general purpose.....	\$ 0
27	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT	

1	Forest roads.....	\$	5,000,000
2	Rural county urban system.....		2,500,000
3	Target industries/economic redevelopment		623,700
4	Urban county congestion.....		8,161,900
5	Rural county primary.....		<u>8,161,900</u>
6	GROSS APPROPRIATION.....	\$	24,447,500
7	Appropriated from:		
8	Special revenue funds:		
9	Economic development fund.....		24,447,500
10	State general fund/general purpose.....	\$	0
11	Sec. 114. AERONAUTICS SERVICES		
12	Full-time equated classified positions.....		54.0
13	Aviation services--54.0 FTE positions.....	\$	7,648,800
14	Air service program.....		<u>250,000</u>
15	GROSS APPROPRIATION.....	\$	7,898,800
16	Appropriated from:		
17	Special revenue funds:		
18	State aeronautics fund.....		7,898,800
19	State general fund/general purpose.....	\$	0
20	Sec. 115. PUBLIC TRANSPORTATION SERVICES		
21	Full-time equated classified positions.....		36.0
22	Passenger transportation services--36.0 FTE positions	\$	<u>5,740,500</u>
23	GROSS APPROPRIATION.....	\$	5,740,500
24	Appropriated from:		
25	Federal revenues:		
26	Federal aid - transportation programs		972,100
27	Special revenue funds:		

1	Comprehensive transportation fund.....	4,768,400
2	State general fund/general purpose.....	\$ 0
3	Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING	
4	Local bus operating.....	\$ 186,250,000
5	Nonurban operating/capital.....	<u>26,027,900</u>
6	GROSS APPROPRIATION.....	\$ 212,277,900
7	Appropriated from:	
8	Federal revenues:	
9	Federal aid - transportation programs.....	24,027,900
10	Special revenue funds:	
11	Local funds.....	2,000,000
12	Comprehensive transportation fund.....	186,250,000
13	State general fund/general purpose.....	\$ 0
14	Sec. 117. INTERCITY PASSENGER	
15	Full-time equated classified positions.....	39.0
16	Office of rail--39.0 FTE positions.....	\$ 6,427,700
17	Freight property management.....	1,000,000
18	Detroit/Wayne County Port Authority.....	468,200
19	Intercity services.....	6,250,000
20	Rail operations and infrastructure.....	118,894,800
21	Marine passenger service.....	400,000
22	Terminal development.....	<u>300,000</u>
23	GROSS APPROPRIATION.....	\$ 133,740,700
24	Appropriated from:	
25	Federal revenues:	
26	Federal aid - transportation programs.....	64,600,000
27	Special revenue funds:	

1	Local funds.....		150,000
2	Private funds.....		100,000
3	Comprehensive transportation fund.....		60,043,000
4	Intercity bus equipment fund.....		100,000
5	Michigan transportation fund.....		2,029,100
6	Rail freight fund.....		6,000,000
7	State trunkline fund.....		718,600
8	State general fund/general purpose.....	\$	0
9	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT		
10	Specialized services.....	\$	17,938,900
11	Municipal credit program.....		2,000,000
12	Transit capital.....		53,907,100
13	Van pooling.....		195,000
14	Service initiatives.....		2,889,200
15	Transportation to work.....		<u>3,700,000</u>
16	GROSS APPROPRIATION.....	\$	80,630,200
17	Appropriated from:		
18	Federal revenues:		
19	Federal aid - transportation programs.....		26,850,000
20	Special revenue funds:		
21	Local funds.....		5,760,000
22	Comprehensive transportation fund.....		48,020,200
23	State general fund/general purpose.....	\$	0
24	Sec. 119. CAPITAL OUTLAY		
25	(1) BUILDINGS AND FACILITIES		
26	Special maintenance, remodeling, and additions.....	\$	<u>3,001,500</u>
27	GROSS APPROPRIATION.....	\$	3,001,500

1	Appropriated from:	
2	State trunkline fund.....	3,001,500
3	State general fund/general purpose.....	\$ 0
4	(2) AIRPORT IMPROVEMENT PROGRAMS	
5	Airport safety, protection and improvement program...	\$ 97,824,000
6	Detroit Metropolitan Wayne County Airport.....	<u>8,775,000</u>
7	GROSS APPROPRIATION.....	\$ 106,599,000
8	Appropriated from:	
9	Federal revenues:	
10	Federal aid - transportation programs.....	79,000,000
11	Special revenue funds:	
12	Local funds.....	12,508,500
13	State aeronautics fund.....	6,315,500
14	Qualified airport fund.....	8,775,000
15	State general fund/general purpose.....	\$ 0
16	Sec. 120. ONE-TIME BASIS ONLY APPROPRIATIONS	
17	Special grants.....	\$ <u>8,500,000</u>
18	GROSS APPROPRIATION.....	\$ 8,500,000
19	Appropriated from:	
20	State general fund/general purpose - one-time.....	\$ 8,500,000

21 PART 2

22 PROVISIONS CONCERNING APPROPRIATIONS

23 FOR FISCAL YEAR 2016-2017

24 **GENERAL SECTIONS**

25 Sec. 201. Pursuant to section 30 of article IX of the state

constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$2,745,227,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,590,461,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT

Grants to regional planning councils.....	\$	488,800
Grants to local programs.....		33,000,000
Rail grade crossing.....		3,000,000
Rail grade crossing - surface improvements.....		3,000,000
Local bridge program.....		27,468,600
Grants to county road commissions.....		797,470,600
Grants to cities and villages.....		444,625,500
Economic development fund.....		23,823,800
Air service program.....		250,000
Local bus operating.....		186,250,000
Detroit/Wayne County Port Authority.....		468,200
Marine passenger service.....		400,000
Terminal development.....		300,000
Specialized services.....		3,853,900
Municipal credit program.....		2,000,000
Transit capital.....		37,357,100
Service initiatives.....		914,200
Transportation to work.....		3,700,000
Airport safety, protection, and improvement program.....		6,315,500

1	Detroit metropolitan Wayne County airport	8,775,000
2	Special grants.....	<u>7,000,000</u>
3	Total payments to local units of government	\$ 1,590,461,200

4 Sec. 202. The appropriations authorized under this part and
5 part 1 are subject to the management and budget act, 1984 PA 431,
6 MCL 18.1101 to 18.1594.

7 Sec. 203. As used in this part and part 1:

8 (a) "CTF" means comprehensive transportation fund.

9 (b) "Department" means the state transportation department.

10 (c) "Director" means the director of the department.

11 (d) "DOT" means the United States Department of
12 Transportation.

13 (e) "DOT-FHWA" means DOT, Federal Highway Administration.

14 (f) "FTE" means full-time equated.

15 (g) "IDG" means interdepartmental grant.

16 (h) "IRS" means the Internal Revenue Service.

17 (i) "MTF" means Michigan transportation fund.

18 (j) "SAF" means state aeronautics fund.

19 (k) "STF" means state trunkline fund.

20 Sec. 204. The departments and agencies receiving
21 appropriations in part 1 shall use the Internet to fulfill the
22 reporting requirements of this part. This requirement may include
23 transmission of reports via electronic mail to the recipients
24 identified for each reporting requirement, or it may include
25 placement of reports on an Internet or Intranet site.

26 Sec. 205. Funds appropriated in part 1 shall not be used for
27 the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods or
2 services, or both, are available. Preference shall be given to
3 goods or services, or both, manufactured or provided by Michigan
4 businesses, if they are competitively priced and of comparable
5 quality. In addition, preference shall be given to goods or
6 services, or both, that are manufactured or provided by Michigan
7 businesses owned and operated by veterans, if they are
8 competitively priced and of comparable quality.

9 Sec. 206. The director shall take all reasonable steps to
10 ensure businesses in deprived and depressed communities compete for
11 and perform contracts to provide services or supplies, or both.
12 Each director shall strongly encourage firms with which the
13 department contracts to subcontract with certified businesses in
14 depressed and deprived communities for services, supplies, or both.

15 Sec. 207. The departments and agencies receiving
16 appropriations in part 1 shall prepare a report on out-of-state
17 travel expenses not later than January 1 of each year. The travel
18 report shall be a listing of all travel by classified and
19 unclassified employees outside this state in the immediately
20 preceding fiscal year that was funded in whole or in part with
21 funds appropriated in the department's budget. The report shall be
22 submitted to the senate and house appropriations committees, the
23 house and senate fiscal agencies, and the state budget director.
24 The report shall include the following information:

25 (a) The dates of each travel occurrence.

26 (b) The transportation and related costs of each travel
27 occurrence, including the proportion funded with state general

1 fund/general purpose revenues, the proportion funded with state
2 restricted revenues, the proportion funded with federal revenues,
3 and the proportion funded with other revenues.

4 Sec. 208. Funds appropriated in part 1 shall not be used by a
5 principal executive department, state agency, or authority to hire
6 a person to provide legal services that are the responsibility of
7 the attorney general. This prohibition does not apply to legal
8 services for bonding activities and for those activities that the
9 attorney general authorizes.

10 Sec. 209. Not later than November 30, the state budget office
11 shall prepare and transmit a report that provides for estimates of
12 the total general fund/general purpose appropriation lapses at the
13 close of the prior fiscal year. This report shall summarize the
14 projected year-end general fund/general purpose appropriation
15 lapses by major departmental program or program areas. The report
16 shall be transmitted to the chairpersons of the senate and house of
17 representatives standing committees on appropriations and the
18 senate and house fiscal agencies.

19 Sec. 210. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$200,000,000.00 for
21 federal contingency funds. These funds are not available for
22 expenditure until they have been transferred to another line item
23 in part 1 pursuant to section 393(2) of the management and budget
24 act, 1984 PA 431, MCL 18.1393.

25 (2) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$40,000,000.00 for state
27 restricted contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in part 1 pursuant to section 393(2) of the management and budget
3 act, 1984 PA 431, MCL 18.1393.

4 (3) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$1,000,000.00 for local
6 contingency funds. These funds are not available for expenditure
7 until they have been transferred to another line item in part 1
8 pursuant to section 393(2) of the management and budget act, 1984
9 PA 431, MCL 18.1393.

10 (4) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$1,000,000.00 for private
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in part 1
14 pursuant to section 393(2) of the management and budget act, 1984
15 PA 431, MCL 18.1393.

16 Sec. 211. The department shall cooperate with the department
17 of technology, management, and budget to maintain a searchable
18 website accessible by the public at no cost that includes, but is
19 not limited to, all of the following:

20 (a) Fiscal year-to-date expenditures by category.

21 (b) Fiscal year-to-date expenditures by appropriation unit.

22 (c) Fiscal year-to-date payments to a selected vendor,
23 including the vendor name, payment date, payment amount, and
24 payment description.

25 (d) The number of active department employees by job
26 classification.

27 (e) Job specifications and wage rates.

1 Sec. 212. Within 14 days after the release of the executive
2 budget recommendation, the department shall cooperate with the
3 state budget office to provide the senate and house appropriations
4 chairs, the senate and house appropriations subcommittees on
5 transportation, respectively, and the senate and house fiscal
6 agencies with an annual report on estimated state restricted fund
7 balances, state restricted fund projected revenues, and state
8 restricted fund expenditures for the fiscal years ending September
9 30, 2016 and September 30, 2017.

10 Sec. 213. The department shall maintain, on a publicly
11 accessible website, a department scorecard that identifies, tracks,
12 and regularly updates key metrics that are used to monitor and
13 improve the agency's performance.

14 Sec. 214. Total authorized appropriations from all sources
15 under part 1 for legacy costs for the fiscal year ending September
16 30, 2017 are \$70,450,500.00. From this amount, total agency
17 appropriations for pension-related legacy costs are estimated at
18 \$39,063,000.00. Total agency appropriations for retiree health care
19 legacy costs are estimated at \$31,387,500.00.

20 Sec. 215. A department shall not take disciplinary action
21 against an employee for communicating with a member of the
22 legislature or his or her staff.

23 Sec. 217. The department shall provide notice to the speaker
24 of the house, the house minority leader, the senate majority
25 leader, the senate minority leader, the house and senate standing
26 committees on transportation, the appropriate house and senate
27 appropriations subcommittees on transportation, and the house and

1 senate fiscal agencies on proposed federal rule changes related to
2 the department that would require amendments to the laws of this
3 state. The notice shall be given within 30 business days of the
4 proposed federal rule being posted to the federal register and
5 shall include a description of the proposed federal rule, the
6 publication date, the date when public comment closes, the document
7 citation, and a description of the statutory changes needed when
8 the rule is finalized.

9 Sec. 270. In order to reduce costs and maintain quality, it is
10 the intent of the legislature that, excluding the fleet of motor
11 vehicles for the department of state police, the department will
12 prioritize the utilization of remanufactured parts as the primary
13 means of maintenance and repair for the state of Michigan's fleet
14 of motor vehicles.

15 **DEPARTMENTAL SECTIONS**

16 Sec. 301. (1) The department may establish a fee schedule and
17 collect fees sufficient to cover the costs to issue the permits
18 that the department is authorized by law to issue upon request,
19 unless otherwise stipulated by law. All permit fees are
20 nonrefundable application fees and shall be credited to the
21 appropriate fund to recover the direct and indirect costs of
22 receiving, reviewing, and processing the requests.

23 (2) A bridge authority shall hold 3 public hearings on an
24 increase in any toll charged by the authority at least 30 days
25 before the toll change will become effective. Two of the hearings
26 shall be held within 5 miles of the bridge over which the bridge

1 authority has jurisdiction. One hearing shall be held in Lansing.
2 Public hearings held under this section shall be conducted in
3 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
4 15.275, and shall be conducted so as to provide a reasonable
5 opportunity for public comment, including both spoken and written
6 comments.

7 Sec. 304. If, as a requirement of bidding on a highway
8 project, the department requires a contractor to submit financial
9 or proprietary documentation as to how the bid was calculated, that
10 bid documentation shall be kept confidential and shall not be
11 disclosed other than to a department representative without the
12 contractor's written consent. The department may disclose the bid
13 documentation if necessary to address or defend a claim by a
14 contractor.

15 Sec. 305. (1) The department may permit space on public
16 passenger transportation properties to be occupied by public or
17 private tenants on a competitive market rate basis. The department
18 shall require that revenue from the tenants be placed in an account
19 to be used to pay the costs to maintain and improve the property.

20 (2) The department shall charge public transit agencies and
21 intercity bus carriers equal rates per square foot for leasing
22 space in state-owned intermodal facilities.

23 Sec. 306. (1) The amounts appropriated in part 1 to support
24 tax and fee collection, law enforcement, and other program services
25 provided to the department and to transportation funds by other
26 state departments shall be expended from transportation funds
27 pursuant to annual contracts between the department and those other

1 state departments. The contracts shall be executed prior to the
2 expenditure or obligation of those funds. The contracts shall
3 provide, but are not limited to, the following data applicable to
4 each state department:

5 (a) Estimated costs to be recovered from transportation funds.

6 (b) Description of services provided to the department and/or
7 transportation funds and financed with transportation funds.

8 (c) Detailed cost allocation methods appropriate to the type
9 of services being provided and the activities financed with
10 transportation funds.

11 (2) Not later than 2 months after publication of the state of
12 Michigan comprehensive annual financial report, each state
13 department receiving funding pursuant to an interdepartment
14 contract with the department shall submit a written report to the
15 department, the state budget director, and the house and senate
16 fiscal agencies stating by spending authorization account the
17 amount of estimated funds contracted with the department, the
18 amount of funds expended, the amount of funds returned to the
19 transportation funds, and any unreimbursed transportation-related
20 costs incurred but not billed to transportation funds. A copy of
21 the report shall be submitted to the auditor general, and the
22 report shall be subject to audit.

23 (3) The auditor general shall use a risk-based approach in
24 developing an audit program for the use of transportation funds.

25 Sec. 307. Before March 1 of each year, the department will
26 provide to the legislature, the state budget office, and the house
27 and senate fiscal agencies its rolling 5-year plan listing by

1 county or by county road commission all highway construction
2 projects for the fiscal year and all expected projects for the
3 ensuing fiscal years.

4 Sec. 310. The department shall provide in a timely manner
5 copies of the agenda and approved minutes of monthly transportation
6 commission meetings to the members of the house and senate
7 appropriations subcommittees on transportation, the house and
8 senate fiscal agencies, and the state budget director.

9 Sec. 313. (1) From funds appropriated in part 1, the
10 department may increase a state infrastructure bank program and
11 grant or loan funds in accordance with regulations of the state
12 infrastructure bank program of the United States Department of
13 Transportation. The state infrastructure bank is to be administered
14 by the department for the purpose of providing a revolving, self-
15 sustaining resource for financing transportation infrastructure
16 projects.

17 (2) In addition to funds provided in subsection (1), money
18 received by the state as federal grants, repayment of state
19 infrastructure bank loans, or other reimbursement or revenue
20 received by the state as a result of projects funded by the program
21 and interest earned on that money shall be deposited in the
22 revolving state infrastructure bank fund and shall be available for
23 transportation infrastructure projects. At the close of the fiscal
24 year, any unencumbered funds remaining in the state infrastructure
25 bank fund shall remain in the fund and be carried forward into the
26 succeeding fiscal year.

27 (3) The department shall submit a report to the state budget

1 director, the house and senate appropriations subcommittees on
2 transportation, and the house and senate fiscal agencies on the
3 status of the state infrastructure bank. The report shall be
4 submitted on or before December 1, 2016. The report shall include
5 all of the following:

6 (a) The balance in the state infrastructure bank at September
7 30, 2016, including a breakdown of the balance by cash and cash
8 equivalents, outstanding loans, and balance available for loan to
9 local agencies.

10 (b) A breakdown of the state infrastructure loan balance by
11 amounts designated as originating from federal sources and the
12 amounts originating from nonfederal sources.

13 (c) A list of outstanding loans by agency, original loan
14 amount, project description, loan term, and amount outstanding.

15 Sec. 319. The department shall post signs at each rest area to
16 identify the agency or contractor responsible for maintenance of
17 the rest area. The signs shall include a department telephone
18 number and shall indicate that unsafe or unclean conditions at the
19 rest area may be reported to that telephone number.

20 Sec. 353. The department shall review its contractor payment
21 process and ensure that all prime contractors are paid promptly.
22 The department shall ensure that prime contractors are in
23 compliance with special provision 109.10 regarding the prompt
24 payment of subcontractors.

25 Sec. 357. When presented with complete local federal aid
26 project submittals, the department shall complete all necessary
27 reviews and inspections required to let local federal aid projects

1 within 120 days of receipt. The department shall implement a system
2 for monitoring the local federal aid project review process.

3 Sec. 375. The department is prohibited from reimbursing
4 contractors or consultants for costs associated with groundbreaking
5 ceremonies, receptions, open houses, or press conferences related
6 to transportation projects funded, in whole or in part, by revenue
7 appropriated in part 1.

8 Sec. 376. The department shall not spend funds appropriated in
9 part 1 for the purpose of examining the potential association
10 between commercial signs, outdoor advertising signs, billboards,
11 digital billboards, or commercial electronic variable message signs
12 and motor vehicle activity or motor vehicle driver behavior.

13 Sec. 381. The department shall require as a condition of each
14 contract or subcontract for construction, maintenance, or
15 engineering services that the prequalified contractor or
16 prequalified subcontractor agree to use the E-Verify system to
17 verify that all persons hired during the contract term by the
18 contractor or subcontractor are legally present and authorized to
19 work in the United States. The department may verify this
20 information directly or may require contractors and subcontractors
21 to verify the information and submit a certification to the
22 department. The department shall report to the house and senate
23 appropriations committees and the house and senate fiscal agencies
24 by March 1 of each year describing the processes it has developed
25 and implemented under provisions of this section. As used in this
26 section, "E-Verify" means an Internet-based system operated by the
27 Department of Homeland Security, U.S. Citizenship and Immigration

1 Services in partnership with the Social Security Administration.

2 Sec. 382. In administering a contract with a county road
3 commission, city, or village that allocates costs of construction
4 or reconstruction of highways, roads, and streets as provided in
5 section 18d of 1951 PA 51, MCL 247.668d, the department shall
6 submit the final cost-sharing bill to the county road commission,
7 city, or village not later than 2 years after the date of the final
8 contract payment to the construction contractor.

9 Sec. 383. (1) The department shall prepare a report on use of
10 department-owned aircraft during the fiscal year ending September
11 30, 2016. With respect to each department-owned aircraft, the
12 report shall include all of the following:

13 (a) Total hours of usage.

14 (b) Description of specific flights including dates of travel,
15 names of passengers including state agency, university, or local
16 government affiliation, travel origin and destination, and total
17 estimated costs associated with the air travel.

18 (2) The report shall be submitted to the senate and house
19 appropriations subcommittees on transportation and the house and
20 senate fiscal agencies no later than February 1, 2017.

21 (3) The department shall maintain a system for recovering the
22 cost of operating department-owned aircraft through charges to
23 aircraft users.

24 (4) From the funds appropriated in part 1, the department is
25 prohibited from transporting legislators or legislative staff on
26 state-owned aircraft without prior approval from the senate
27 majority leader or the speaker of the house of representatives and

1 only when the aircraft is already scheduled by state agencies on
2 related official state business.

3 (5) It is the intent of the legislature that the department
4 work with the Michigan state police to establish a reciprocal
5 agreement on employing fixed-wing aircraft with specifically
6 designed equipment for use by the Michigan state police when
7 conducting operations. The department shall submit a report
8 regarding the status of a reciprocal agreement to the senate and
9 house appropriations subcommittees on transportation and the house
10 and senate fiscal agencies no later than February 1, 2017.

11 Sec. 384. (1) Except as otherwise provided in subsection (2),
12 the department shall not obligate the state to expend any state
13 transportation revenue for construction planning or construction of
14 the Detroit River International Crossing or a renamed successor. In
15 addition, except as provided in subsection (2), the department
16 shall not commit the state to any new contract related to the
17 construction planning or construction of the Detroit River
18 International Crossing or a renamed successor that would obligate
19 the state to expend any state transportation revenue. An
20 expenditure for staff resources used in connection with project
21 activities, which expenditure is subject to full and prompt
22 reimbursement from Canada, shall not be considered an expenditure
23 of state transportation revenue.

24 (2) If the legislature enacts specific enabling legislation
25 for the construction of the Detroit River International Crossing or
26 a renamed successor, subsection (1) does not apply once the
27 enabling legislation goes into effect.

1 Sec. 385. (1) The department shall submit reports to the state
2 budget director, the speaker of the house, the house minority
3 leader, the senate majority leader, the senate minority leader, the
4 house and senate appropriations subcommittees on transportation,
5 and the house and senate fiscal agencies on department activities
6 related to all nonconstruction or construction planning activities
7 related to the Detroit River International Crossing or a renamed
8 successor. The initial report shall be submitted on or before
9 December 1, 2016 and shall cover the fiscal year ending September
10 30, 2016.

11 (2) The initial report shall include, at a minimum, all of the
12 following:

13 (a) Department costs incurred in the fiscal year ending
14 September 30, 2016, including employee salaries, wages, benefits,
15 travel, and contractual services, and what activities those costs
16 were related to.

17 (b) Costs of other executive branch agencies incurred in the
18 fiscal year ending September 30, 2016, including employee salaries,
19 wages, benefits, travel, and contractual services, and what
20 activities those costs were related to.

21 (c) A breakdown of the source of funds used for the activities
22 described in subdivisions (a) and (b).

23 (d) A breakdown of reimbursements made by Canada under section
24 384(1) to the state for expenditures for staff resources used in
25 connection with project activities.

26 (e) A narrative description of the status of the Detroit River
27 International Crossing or a renamed successor, including efforts

1 undertaken to implement provisions of the crossing agreement
2 executed June 15, 2012 by representatives of the Canadian
3 government and this state.

4 (3) After submission of the initial report, a subsequent
5 report shall be submitted on March 1, 2017, June 1, 2017, and
6 September 1, 2017 and shall include the same information described
7 in subsection (2) for the applicable previous fiscal quarter.

8 Sec. 393. (1) The department shall promote best practices for
9 public transportation services in this state, including, but not
10 limited to, the following:

11 (a) Transit vehicle rehabilitation to reduce life-cycle cost
12 of public transportation through midlife rehabilitation of transit
13 buses.

14 (b) Cooperation between entities using transit, including
15 school districts, cities, townships, and counties with a view to
16 promoting cost savings through joint purchasing of fuel and other
17 procurements.

18 (c) Coordination of transportation dollars among state
19 departments which provide transit-related services, including the
20 department of health and human services. Priority should be given
21 to use of public transportation services where available.

22 (d) Promotion of intelligent transportation services for buses
23 that incorporate computer and navigation technology to make transit
24 systems more efficient, including stoplight coordinating, vehicle
25 tracking, data tracking, and computerized scheduling.

26 (2) The department shall report on efforts taken to implement
27 this section as well as section 393 of article XVII of 2011 PA 63.

1 The department shall complete and submit the report to the state
2 budget director, the house and senate appropriations subcommittees
3 on transportation, and the house and senate fiscal agencies on or
4 before March 1, 2017.

5 Sec. 394. The department and local road agencies shall make
6 the preservation of their existing road networks a funding
7 priority.

8 Sec. 395. From the funds appropriated in part 1 for state
9 trunkline federal aid road and bridge construction, the department
10 may expend up to \$10,000,000.00 on highway maintenance activities
11 to support safety-related, high-priority, and other deferred
12 routine maintenance needs on Michigan's state trunkline network.

13 Sec. 396. In soliciting proposals for contractual services,
14 other than construction contracts, the department shall obtain
15 assurance that the respondents have the financial capability,
16 equipment, work force, and prior work experience sufficient to
17 perform the proposed services.

18 **FEDERAL**

19 Sec. 402. A portion of the federal DOT-FHWA highway research,
20 planning, and construction funds made available to this state shall
21 be allocated to transportation programs administered by local
22 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
23 247.660o. A local road agency, with respect to a project approved
24 for federal aid funding in a state transportation improvement
25 program, may enter into a voluntary buyout agreement with the
26 department or with another local road agency to exchange the

1 federal aid with state restricted transportation funds as agreed to
2 by the respective parties. The state restricted transportation
3 funds received in exchange for federal aid funds shall be used for
4 the same purpose as the federal aid funds were originally intended.

5 **MICHIGAN TRANSPORTATION FUND**

6 Sec. 501. The money received under the motor carrier act, 1933
7 PA 254, MCL 475.1 to 479.42, and not appropriated to the department
8 of licensing and regulatory affairs or the department of state
9 police is deposited in the Michigan transportation fund.

10 Sec. 503. (1) The funds appropriated in part 1 for the
11 economic development and local bridge programs shall not lapse at
12 the end of the fiscal year but shall carry forward each fiscal year
13 for the purposes for which appropriated in accordance with 1987 PA
14 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
15 247.660.

16 (2) Interest earned in the department of transportation
17 economic development fund and local bridge fund shall remain in the
18 respective funds and shall be allocated to the respective programs
19 based on actual interest earned at the end of each fiscal year.

20 (3) In addition to the funds appropriated in part 1, the
21 department of transportation economic development fund and local
22 bridge fund may receive federal, local, or private funds or
23 restricted source funds such as interest earnings. These funds are
24 appropriated for projects that are consistent with the purposes of
25 the respective funds.

26 (4) None of the funds statutorily dedicated to the

1 transportation economic development fund and local bridge fund
2 shall be diverted to other projects.

3 Sec. 504. Funds from the Michigan transportation fund shall be
4 distributed to the comprehensive transportation fund, the economic
5 development fund, the recreation improvement fund, and the state
6 trunkline fund, in accordance with this part and part 1 and part
7 711 of the natural resources and environmental protection act, 1994
8 PA 451, MCL 324.71101 to 324.71108, and may only be used as
9 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
10 247.675, and part 711 of the natural resources and environmental
11 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

12 Sec. 505. If roads innovation funds are not released by a 1-
13 time concurrent resolution pursuant to section 1j(5) of 1951 PA 51,
14 MCL 247.651j, on or before October 1, 2016, the department shall
15 prepare a report that specifies the portions of total Michigan
16 transportation fund distributions to be withheld from the state
17 trunkline fund and each local road agency. The department shall
18 present the report to the state budget director, the senate and
19 house appropriations subcommittees on transportation, the senate
20 and house standing committees on transportation, and the senate and
21 house fiscal agencies on or before November 1, 2016.

22 **STATE TRUNKLINE FUND**

23 Sec. 601. (1) The department shall work with the road
24 construction industry and engineering consulting community to
25 develop a warranty program for capital road and bridge
26 construction, reconstruction, and rehabilitation projects. In

1 developing the warranty program, the department shall consider all
2 of the following:

3 (a) Scope of warranties, including warranties on materials and
4 workmanship, pavement or bridge performance criteria, and the
5 application of warranties to design/build projects.

6 (b) Length of warranty.

7 (c) Costs and benefits associated with scope of warranty and
8 various warranty provisions, including length of warranty.

9 (d) Any other relevant factors that might determine the use of
10 warranties, scope of warranty, or length of warranty.

11 (e) Use of warranties on local agency projects administered by
12 the department.

13 (f) Other measures used to identify premature failure of road
14 pavement or bridge elements and the related cause of those
15 failures.

16 (2) The department shall report on March 1 of each year to the
17 house of representatives and senate appropriations subcommittees on
18 transportation and the house and senate fiscal agencies on
19 provisions of the department's warrant program described under
20 subsection (1). The department shall timely inspect warrantied
21 projects prior to the expiration of any associated warranty.

22 (3) The department shall report to the legislature all of the
23 following with regard to road and bridge construction projects:

24 (a) An update on procedures involving the attorney general's
25 office regarding nonresponsive contractors that had received notice
26 but failed to fulfill the terms of a warranty.

27 (b) An update on any upgrades and improvements to the

1 statewide warranty administrative database.

2 (c) The number of active road and bridge construction
3 warranties.

4 (d) The number of road and bridge project warranties that
5 required corrective action, and the date or dates of any corrective
6 action.

7 (e) The number of warrantied projects that required corrective
8 action but expired prior to the contractor receiving notice and the
9 total cost of each of those projects.

10 (f) The number of instances where a contractor was notified of
11 the need for corrective action more than 60 days after the
12 associated warranty period.

13 (g) The number of unresolved corrective actions outstanding
14 beyond 15 months, and the department's findings and any changes to
15 existing policies and procedures as required in subsection (5).

16 (4) The report required under subsection (3) is due on March 1
17 of each calendar year, shall reflect the prior 12-month period, and
18 shall be transmitted to the house of representatives and senate
19 appropriations subcommittees on transportation, the state budget
20 director, and the house and senate fiscal agencies.

21 (5) The department shall maintain documentation to support
22 initial acceptance of warrantied projects, interim and final
23 inspections, and notifications to contractors that the warranty
24 period had expired. The department also shall review and evaluate
25 consultant evaluation requirements or recommendations and update
26 existing policies and procedures accordingly.

27 Sec. 604. At the close of the fiscal year, any unencumbered

1 and unexpended balance in the state trunkline fund shall remain in
2 the state trunkline fund and shall carry forward and is
3 appropriated for federal aid road and bridge programs for projects
4 contained in the annual state transportation program.

5 Sec. 610. The department shall have as a priority the removal
6 of dead deer and other large animal remains from the traveled
7 portion and shoulder of state highways. The department, and
8 counties that perform state highway maintenance under contract,
9 shall remove animal remains, wherever practicable and when funds
10 are available, away from the traveled portion and shoulder of state
11 highways.

12 Sec. 612. The department shall establish guidelines governing
13 incentives and disincentives provided under contracts for state
14 trunkline projects. The guidelines shall include specific financial
15 information concerning incentives and disincentives. On or before
16 January 1 of each year, the department shall prepare a report for
17 the immediately preceding fiscal year regarding contract incentives
18 and disincentives. This report shall include a list, by project, of
19 the contractors that received contract incentives and/or
20 disincentives, the amount of the incentives and/or disincentives,
21 the fund source of any incentives, and the number of days that each
22 project was completed either ahead or past the contracted
23 completion date. This report shall be provided to the senate and
24 house appropriations subcommittees on transportation, the senate
25 and house standing committees on transportation, and the senate and
26 house fiscal agencies.

27 Sec. 660. (1) The legislature encourages the department to

1 examine the use of alternative road surface materials, including
2 recycled materials, and to develop criteria and specifications for
3 their use in both department-managed and contracted projects.

4 (2) The department shall report on efforts taken to implement
5 this section. The report shall include descriptions of specific
6 materials evaluated, evaluation methods, and results of specific
7 field or laboratory tests. The department shall complete and submit
8 the report to the state budget director, the house and senate
9 appropriations subcommittees on transportation, and the house and
10 senate fiscal agencies on or before March 1 of each year.

11 **TRANSIT AND RAIL RELATED FUNDS**

12 Sec. 701. The department shall establish an intercity bus
13 equipment and facility fund as a subsidiary fund within the
14 comprehensive transportation fund created under section 10b of 1951
15 PA 51, MCL 247.660b. Proceeds received by this state from the sale
16 of state-owned intercity bus equipment shall be credited to the
17 intercity bus equipment and facility fund for the purchase and
18 repair of intercity bus equipment, as appropriated. Security
19 deposits not returned to a lessee of state-owned intercity bus
20 equipment under terms of the lease agreement shall be credited to
21 the intercity bus equipment and facility fund for the repair of
22 intercity bus equipment, as appropriated. Money received by the
23 department from lease payments for state-owned intercity bus
24 equipment, and facility maintenance charges under terms of leases
25 of state-owned intercity facilities, shall be credited to the
26 intercity bus equipment and facility fund for the purchase and

1 repair of intercity bus equipment or for the maintenance and
2 rehabilitation of state-owned intercity facilities, as
3 appropriated. At the close of the fiscal year, any funds remaining
4 in the intercity bus equipment and facility fund shall remain in
5 the fund and be carried forward into the succeeding fiscal year.

6 Sec. 702. Money that is received by this state as repayment
7 for loans made for rail or water freight capital projects, and as a
8 result of the sale of property or equipment used or projected to be
9 used for rail or water freight projects shall be deposited in the
10 rail freight fund created by section 17 of the state transportation
11 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
12 the fiscal year, any funds remaining in the rail freight fund shall
13 remain in the fund and be carried forward into the succeeding
14 fiscal year.

15 Sec. 703. After receiving notification from a railroad company
16 pursuant to section 8 of the state transportation preservation act
17 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
18 notify the house of representatives and senate appropriations
19 subcommittees on transportation and the state budget office that
20 the railroad company has filed with the appropriate governmental
21 agencies for abandonment of a line.

22 Sec. 704. From the funds appropriated in part 1, the
23 department shall prepare and transmit a report that provides detail
24 regarding the department's expenditures for programs funded under
25 the appropriation in part 1 for rail operations and infrastructure.
26 The report shall include a breakdown of the appropriation by
27 program, year-to-date expenditures under each program itemized by

1 project, and an estimate of future expenditures under each program
2 itemized by project for the remainder of the fiscal year. The
3 initial report shall be submitted to the senate and house
4 appropriations subcommittees on transportation, and the senate and
5 house fiscal agencies, on or before October 30, 2016. The
6 department also shall update and resubmit the report on or before
7 February 1 of each year.

8 Sec. 705. It is the intent of the legislature that the
9 department will provide assistance, whether administrative or
10 otherwise, to the city of Woodhaven so that the city may meet
11 funding needs for a rail and street separation project.

12 Sec. 706. The Detroit/Wayne County Port Authority shall issue
13 a complete operations assessment and a financial disclosure
14 statement. The operations assessment shall include operational
15 goals for the next 5 years and recommendations to improve land
16 acquisition and development efficiency. The report shall be
17 completed and submitted to the house of representatives and senate
18 appropriations subcommittees on transportation, the state budget
19 director, and the house and senate fiscal agencies by June 30 of
20 each fiscal year for the prior fiscal year.

21 Sec. 711. (1) As prescribed in subsection (2), the department
22 shall submit reports to the state budget director, the house and
23 senate appropriations subcommittees on transportation, and the
24 house and senate fiscal agencies on rail passenger service provided
25 by Amtrak under a contractual agreement with the department. The
26 report shall be submitted on or before May 1 of each year.

27 (2) The report shall include all of the following:

1 (a) Passenger counts for the preceding fiscal year for each
2 Amtrak service route in Michigan.

3 (b) Revenue and operating expenses by Amtrak route.

4 (c) Total state operating payments to Amtrak in the preceding
5 fiscal year by Amtrak route.

6 (d) A discussion of major factors affecting route costs and
7 revenue and net state costs in the preceding fiscal year, and
8 factors affecting route costs and revenue and net state costs
9 anticipated in the current and future fiscal years.

10 Sec. 735. For the fiscal year ending September 30, 2017, the
11 appropriation to a street railway pursuant to section 10e(22) of
12 1951 PA 51, MCL 247.660e, is \$0.

13 **AERONAUTICS FUND**

14 Sec. 801. Except as otherwise provided in section 903 for
15 capital outlay, at the close of the fiscal year, any unobligated
16 and unexpended balance in the state aeronautics fund created in the
17 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1
18 to 259.208, shall lapse to the state aeronautics fund and be
19 appropriated by the legislature in the immediately succeeding
20 fiscal year.

21 Sec. 802. The legislature encourages the department to find
22 private entities or local public agencies to assume ownership and
23 operating responsibility for airports currently owned by the
24 department.

25 Sec. 803. Not later than December 1, 2016, the department, in
26 cooperation with the department of technology, management, and

1 budget, shall release a request for proposal seeking competitive
2 bids for the award of a contract for third party management and
3 sale of the department's aging aircraft. Third party management
4 shall include, but not be limited to: aircraft transportation
5 services, aircraft, aircraft personnel including pilots and
6 technicians, aircraft maintenance, aircraft facilities, and
7 aircraft fuel.

8 **CAPITAL OUTLAY**

9 Sec. 901. (1) From federal-state-local project appropriations
10 contained in part 1 for the purpose of assisting political entities
11 and subdivisions of this state in the construction and improvement
12 of publicly used airports and landing fields within this state, the
13 state transportation department may permit the award of contracts
14 on behalf of units of local government for the authorized locations
15 not to exceed the indicated amounts, of which the state allocated
16 portion shall not exceed the amount appropriated in part 1.

17 (2) Political entities and subdivisions shall provide not less
18 than 5% of the cost of any project under this section, unless a
19 total nonfederal share greater than 10% is otherwise specified in
20 federal law. State money shall not be allocated until local money
21 is allocated. State money for any 1 project shall not exceed 1/3 of
22 the total appropriation in part 1 from state funds for airport
23 improvement programs.

24 (3) The Michigan aeronautics commission may take those steps
25 necessary to match federal money available for airport construction
26 and improvement within this state and to meet the matching

1 requirements of the federal government. Whether acting alone or
2 jointly with another political subdivision or public agency or with
3 this state, a political subdivision or public agency of this state
4 shall not submit to any agency of the federal government a project
5 application for airport planning or development unless it is
6 authorized in this part and part 1 and the project application is
7 approved by the governing body of each political subdivision or
8 public agency making the application and by the Michigan
9 aeronautics commission.

10 Sec. 903. The appropriations in part 1 for capital outlay
11 shall be carried forward at the end of the fiscal year consistent
12 with the provisions of section 248 of the management and budget
13 act, 1984 PA 431, MCL 18.1248.

14 **ONE-TIME BASIS ONLY APPROPRIATION**

15 Sec. 1001. The funds appropriated in part 1 for special grants
16 shall be used to fund the following road improvement projects:

17 (a) Berrien County: US-31 right-of-way acquisition.

18 (b) Lenawee County: upgrading Weston Road and Rodesiler
19 Highway to provide an all-season truck route between M-52 and US-
20 223.

21 (c) Macomb County: M-53 at 33 Mile Road access.

22 PART 2A

23 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

24 FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2018 for the line items listed in part 1. The fiscal year 2017-2018 appropriations are anticipated to be the same as those for fiscal year 2016-2017, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2017 consensus revenue estimating conference.

ARTICLE XX

SUPPLEMENTAL APPROPRIATIONS

PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2015-2016

Sec. 101. There is appropriated for various state departments and agencies and the legislative branch to supplement appropriations for the fiscal year ending September 30, 2016, from the following funds:

APPROPRIATION SUMMARY

Full-time equated exempted positions.....	6.0	
GROSS APPROPRIATION.....	\$	(244,862,000)
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental		
transfers		(167,000)

1	ADJUSTED GROSS APPROPRIATION.....	\$	(244,695,000)
2	Federal revenues:		
3	Total federal revenues.....		(376,712,600)
4	Special revenue funds:		
5	Total local revenues.....		0
6	Total private revenues.....		(2,000,000)
7	Total other state restricted revenues.....		20,550,200
8	State general fund/general purpose.....	\$	113,467,400
9	Sec. 102. DEPARTMENT OF CORRECTIONS		
10	(1) APPROPRIATION SUMMARY		
11	GROSS APPROPRIATION.....	\$	13,400,000
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		0
15	ADJUSTED GROSS APPROPRIATION.....	\$	13,400,000
16	Federal revenues:		
17	Total federal revenues.....		0
18	Special revenue funds:		
19	Total local revenues.....		0
20	Total private revenues.....		0
21	Total other state restricted revenues.....		0
22	State general fund/general purpose.....	\$	13,400,000
23	(2) HEALTH CARE		
24	Clinical and mental health services and support	\$	<u>13,400,000</u>
25	GROSS APPROPRIATION.....	\$	13,400,000
26	Appropriated from:		

1	State general fund/general purpose	\$	13,400,000
2	Sec. 103. DEPARTMENT OF EDUCATION		
3	(1) APPROPRIATION SUMMARY		
4	GROSS APPROPRIATION	\$	(3,500,000)
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		0
8	ADJUSTED GROSS APPROPRIATION	\$	(3,500,000)
9	Federal revenues:		
10	Total federal revenues		1,200,000
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		0
14	Total other state restricted revenues		0
15	State general fund/general purpose	\$	(4,700,000)
16	(2) MICHIGAN OFFICE OF GREAT START		
17	Child development and care public assistance	\$	<u>(3,500,000)</u>
18	GROSS APPROPRIATION	\$	(3,500,000)
19	Appropriated from:		
20	Federal revenues:		
21	Federal revenues		1,200,000
22	State general fund/general purpose	\$	(4,700,000)
23	Sec. 104. DEPARTMENT OF ENVIRONMENTAL QUALITY		
24	(1) APPROPRIATION SUMMARY		
25	GROSS APPROPRIATION	\$	500,000

1	Interdepartmental grant revenues:	
2	Total interdepartmental grants and intradepartmental	
3	transfers	0
4	ADJUSTED GROSS APPROPRIATION.....	\$ 500,000
5	Federal revenues:	
6	Total federal revenues.....	0
7	Special revenue funds:	
8	Total local revenues.....	0
9	Total private revenues.....	0
10	Total other state restricted revenues.....	0
11	State general fund/general purpose.....	\$ 500,000
12	(2) ONE-TIME APPROPRIATIONS	
13	Western Michigan University geological resources study	\$ <u>500,000</u>
14	GROSS APPROPRIATION.....	\$ 500,000
15	Appropriated from:	
16	State general fund/general purpose.....	\$ 500,000
17	Sec. 105. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
18	(1) APPROPRIATION SUMMARY	
19	GROSS APPROPRIATION.....	\$ (299,155,700)
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers	0
23	ADJUSTED GROSS APPROPRIATION.....	\$ (299,155,700)
24	Federal revenues:	
25	Total federal revenues.....	(379,912,600)
26	Special revenue funds:	

1	Total local revenues.....		0
2	Total private revenues.....		(2,000,000)
3	Total other state restricted revenues.....		3,175,400
4	State general fund/general purpose.....	\$	79,581,500
5	(2) COMMUNITY SERVICES AND OUTREACH		
6	Rape prevention and services.....	\$	<u>25,000</u>
7	GROSS APPROPRIATION.....	\$	25,000
8	Appropriated from:		
9	State general fund/general purpose.....	\$	25,000
10	(3) CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
11	Foster care payments.....	\$	(4,430,300)
12	Guardianship assistance program.....		477,000
13	Child care fund.....		6,743,800
14	Adoption subsidies.....		(5,601,300)
15	Family support subsidy.....		<u>(602,200)</u>
16	GROSS APPROPRIATION.....	\$	(3,413,000)
17	Appropriated from:		
18	Federal revenues:		
19	Social security act, temporary assistance for needy		
20	families		(602,200)
21	Total other federal revenues.....		(6,113,700)
22	State general fund/general purpose.....	\$	3,302,900
23	(4) PUBLIC ASSISTANCE		
24	Family independence program.....	\$	(9,702,900)
25	State disability assistance payments.....		(2,109,600)
26	Food assistance program benefits.....		(84,728,400)
27	State supplementation.....		<u>(1,038,700)</u>

1	GROSS APPROPRIATION.....	\$	(97,579,600)
2	Appropriated from:		
3	Federal revenues:		
4	Social security act, temporary assistance for needy		
5	families		(6,448,700)
6	Total other federal revenues.....		(85,553,200)
7	State general fund/general purpose.....	\$	(5,577,700)
8	(5) BEHAVIORAL HEALTH SERVICES		
9	Medicaid mental health services.....	\$	872,700
10	Medicaid substance use disorder services.....		5,427,100
11	Healthy Michigan plan - behavioral health.....		(100,432,600)
12	Autism services.....		<u>14,581,500</u>
13	GROSS APPROPRIATION.....	\$	(79,551,300)
14	Appropriated from:		
15	Federal revenues:		
16	Total other federal revenues.....		(81,374,500)
17	State general fund/general purpose.....	\$	1,823,200
18	(6) EPIDEMIOLOGY AND INFECTIOUS DISEASE		
19	Immunization program.....	\$	<u>(2,500,000)</u>
20	GROSS APPROPRIATION.....	\$	(2,500,000)
21	Appropriated from:		
22	Special revenue funds:		
23	Total private revenues.....		(2,000,000)
24	State general fund/general purpose.....	\$	(500,000)
25	(7) CHILDREN'S SPECIAL HEALTH CARE SERVICES		
26	Medical care and treatment.....	\$	<u>3,283,300</u>
27	GROSS APPROPRIATION.....	\$	3,283,300

1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues	2,548,700
4	State general fund/general purpose	\$ 734,600
5	(8) CRIME VICTIM SERVICES COMMISSION	
6	Justice assistance grants	\$ <u>5,000,000</u>
7	GROSS APPROPRIATION	\$ 5,000,000
8	Appropriated from:	
9	Federal revenues:	
10	Total other federal revenues	5,000,000
11	State general fund/general purpose	\$ 0
12	(9) AGING AND ADULT SERVICES AGENCY	
13	Program of all-inclusive care for the elderly	\$ <u>(9,914,400)</u>
14	GROSS APPROPRIATION	\$ (9,914,400)
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues	(6,503,800)
18	State general fund/general purpose	\$ (3,410,600)
19	(10) MEDICAL SERVICES	
20	Hospital services and therapy	\$ (114,779,000)
21	Hospital services and therapy	62,888,300
22	Physician services	(9,511,400)
23	Medicare premium payments	52,673,100
24	Pharmaceutical services	14,562,100
25	Home health services	(324,000)
26	Hospice services	(8,499,800)
27	Transportation	(1,578,900)

1	Auxiliary medical services.....	(626,500)
2	Dental services.....	3,460,600
3	Ambulance services.....	354,600
4	Long-term care services.....	293,223,200
5	Integrated care organizations.....	(153,215,700)
6	Medicaid home- and community-based services waiver...	(15,463,000)
7	Adult home help services.....	(703,100)
8	Personal care services.....	(1,581,700)
9	Health plan services.....	75,881,800
10	Health plan services.....	100,000,000
11	Federal Medicare pharmaceutical program.....	9,079,100
12	Healthy Michigan plan.....	(423,345,400)
13	Subtotal basic medical services program.....	<u>(117,505,700)</u>
14	GROSS APPROPRIATION.....	\$ (117,505,700)
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues.....	(200,865,200)
18	Special revenue funds:	
19	Merit award trust fund.....	(3,674,500)
20	Total other state restricted revenues.....	6,849,900
21	State general fund/general purpose.....	\$ 80,184,100
22	(11) ONE-TIME BASIS ONLY APPROPRIATIONS	
23	SIGMA readiness project.....	\$ 1,500,000
24	Special project - groundwater contamination.....	1,000,000
25	Special project - human trafficking.....	<u>500,000</u>
26	GROSS APPROPRIATION.....	\$ 3,000,000
27	Appropriated from:	

1 State general fund/general purpose \$ 3,000,000

2 **Sec. 106. DEPARTMENT OF INSURANCE AND FINANCIAL**

3 **SERVICES**

4 **(1) APPROPRIATION SUMMARY**

5 GROSS APPROPRIATION \$ 2,225,000

6 Interdepartmental grant revenues:

7 Total interdepartmental grants and intradepartmental

8 transfers 0

9 ADJUSTED GROSS APPROPRIATION \$ 2,225,000

10 Federal revenues:

11 Total federal revenues 0

12 Special revenue funds:

13 Total local revenues 0

14 Total private revenues 0

15 Total other state restricted revenues 449,900

16 State general fund/general purpose \$ 1,775,100

17 **(2) AUTISM COVERAGE FUND**

18 Autism coverage fund \$ 2,225,000

19 GROSS APPROPRIATION \$ 2,225,000

20 Appropriated from:

21 Special revenue funds:

22 Autism coverage fund 449,900

23 State general fund/general purpose \$ 1,775,100

24 **Sec. 107. JUDICIARY**

25 **(1) APPROPRIATION SUMMARY**

1	Full-time equated exempted positions.....	6.0	
2	GROSS APPROPRIATION.....	\$	5,300,000
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers		(167,000)
6	ADJUSTED GROSS APPROPRIATION.....	\$	5,467,000
7	Federal revenues:		
8	Total federal revenues.....		0
9	Special revenue funds:		
10	Total local revenues.....		0
11	Total private revenues.....		0
12	Total other state restricted revenues.....		5,000,000
13	State general fund/general purpose.....	\$	467,000
14	(2) INDIGENT DEFENSE - CRIMINAL		
15	Full-time equated exempted positions.....	6.0	
16	Appellate public defender program--6.0 FTE positions .	\$	<u>300,000</u>
17	GROSS APPROPRIATION.....	\$	300,000
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from state police - Michigan justice training fund		(167,000)
21	State general fund/general purpose.....	\$	467,000
22	(3) TRIAL COURT OPERATIONS		
23	Statewide e-file system.....	\$	<u>5,000,000</u>
24	GROSS APPROPRIATION.....	\$	5,000,000
25	Appropriated from:		
26	Special revenue funds:		
27	Judicial electronic filing fund.....		5,000,000

1	State general fund/general purpose	\$	0
2	Sec. 108. LEGISLATURE		
3	(1) APPROPRIATION SUMMARY		
4	GROSS APPROPRIATION	\$	7,200,000
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		0
8	ADJUSTED GROSS APPROPRIATION	\$	7,200,000
9	Federal revenues:		
10	Total federal revenues		0
11	Special revenue funds:		
12	Total local revenues		0
13	Total private revenues		0
14	Total other state restricted revenues		0
15	State general fund/general purpose	\$	7,200,000
16	(2) LEGISLATURE		
17	Senate redistricting	\$	225,000
18	House redistricting		<u>225,000</u>
19	GROSS APPROPRIATION	\$	450,000
20	Appropriated from:		
21	State general fund/general purpose	\$	450,000
22	(3) LEGISLATIVE COUNCIL		
23	Legislative IT systems design project	\$	3,000,000
24	Criminal justice policy commission		<u>500,000</u>
25	GROSS APPROPRIATION	\$	3,500,000
26	Appropriated from:		

1	State general fund/general purpose	\$	3,500,000
2	(4) STATE CAPITOL HISTORIC SITE		
3	Restoration, renewal, and maintenance	\$	<u>3,250,000</u>
4	GROSS APPROPRIATION	\$	3,250,000
5	Appropriated from:		
6	State general fund/general purpose	\$	3,250,000
7	Sec. 109. LICENSING AND REGULATORY AFFAIRS		
8	(1) APPROPRIATION SUMMARY		
9	GROSS APPROPRIATION	\$	5,853,300
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		0
13	ADJUSTED GROSS APPROPRIATION	\$	5,853,300
14	Federal revenues:		
15	Total federal revenues		0
16	Special revenue funds:		
17	Total local revenues		0
18	Total private revenues		0
19	Total other state restricted revenues		3,383,300
20	State general fund/general purpose	\$	2,470,000
21	(2) ENERGY AND UTILITY PROGRAMS		
22	Public service commission	\$	<u>83,300</u>
23	GROSS APPROPRIATION	\$	83,300
24	Appropriated from:		
25	Special revenue funds:		
26	Video franchise assessments		83,300

1	State general fund/general purpose	\$	0
2	(3) OCCUPATIONAL REGULATION		
3	Corporations, securities, and commercial licensing		
4	bureau	\$	<u>300,000</u>
5	GROSS APPROPRIATION	\$	300,000
6	Appropriated from:		
7	Special revenue funds:		
8	Distance education fund		300,000
9	State general fund/general purpose	\$	0
10	(4) ONE-TIME APPROPRIATIONS		
11	Michigan automated prescription system upgrades	\$	2,470,000
12	First responder presumed coverage claims		<u>3,000,000</u>
13	GROSS APPROPRIATION	\$	5,470,000
14	Appropriated from:		
15	Special revenue funds:		
16	First responder presumed coverage fund		3,000,000
17	State general fund/general purpose	\$	2,470,000
18	Sec. 110. DEPARTMENT OF MILITARY AND VETERANS		
19	AFFAIRS		
20	(1) APPROPRIATION SUMMARY		
21	GROSS APPROPRIATION	\$	8,866,600
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		0
25	ADJUSTED GROSS APPROPRIATION	\$	8,866,600
26	Federal revenues:		

1	Total federal revenues.....	0
2	Special revenue funds:	
3	Total local revenues.....	0
4	Total private revenues.....	0
5	Total other state restricted revenues.....	1,441,600
6	State general fund/general purpose.....	\$ 7,425,000
7	(2) MILITARY	
8	Departmental and National Guard operations.....	\$ (3,741,600)
9	Schedule of programs:	
10	National Guard tuition assistance program (3,741,600)	
11	Departmental and National Guard operations.....	5,741,600
12	Schedule of programs:	
13	National Guard tuition assistance fund.....	5,741,600
14	Departmental and National Guard operations.....	3,741,600
15	Schedule of programs:	
16	National Guard tuition assistance fund... (3,741,600)	
17	National Guard tuition assistance program.. 3,741,600	
18	GROSS APPROPRIATION.....	\$ 5,741,600
19	Appropriated from:	
20	Special revenue funds:	
21	State restricted revenues.....	3,741,600
22	State general fund/general purpose.....	\$ 2,000,000
23	(3) MICHIGAN VETERANS AFFAIRS AGENCY	
24	Michigan veterans affairs agency.....	\$ 1,200,000
25	Schedule of programs:	
26	Michigan veterans affairs agency	
27	administration	1,200,000

1	Veterans' homes.....		1,925,000
2	Schedule of programs:		
3	Grand Rapids home for veterans.....	1,725,000	
4	D.J. Jacobetti home for veterans.....	200,000	
5	GROSS APPROPRIATION.....	\$	3,125,000
6	Appropriated from:		
7	Special revenue funds:		
8	Restricted revenues.....		(2,300,000)
9	State general fund/general purpose.....	\$	5,425,000
10	Sec. 111. DEPARTMENT OF NATURAL RESOURCES		
11	(1) APPROPRIATION SUMMARY		
12	GROSS APPROPRIATION.....	\$	9,000,000
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers		0
16	ADJUSTED GROSS APPROPRIATION.....	\$	9,000,000
17	Federal revenues:		
18	Total federal revenues.....		2,000,000
19	Special revenue funds:		
20	Total local revenues.....		0
21	Total private revenues.....		0
22	Total other state restricted revenues.....		4,000,000
23	State general fund/general purpose.....	\$	3,000,000
24	(2) EXECUTIVE OPERATIONS		
25	Executive direction.....	\$	46,500
26	GROSS APPROPRIATION.....	\$	46,500

1	Appropriated from:		
2	Special revenue funds:		
3	Off-road vehicle trail improvement fund.....		46,500
4	State general fund/general purpose.....	\$	0
5	(3) DEPARTMENT SUPPORT SERVICES		
6	Finance and operations.....	\$	<u>61,000</u>
7	GROSS APPROPRIATION.....	\$	61,000
8	Appropriated from:		
9	Special revenue funds:		
10	Off-road vehicle trail improvement fund.....		61,000
11	State general fund/general purpose.....	\$	0
12	(4) COMMUNICATION AND CUSTOMER SERVICES		
13	Marketing and outreach.....	\$	<u>17,500</u>
14	GROSS APPROPRIATION.....	\$	17,500
15	Appropriated from:		
16	Special revenue funds:		
17	Off-road vehicle trail improvement fund.....		17,500
18	State general fund/general purpose.....	\$	0
19	(5) LAW ENFORCEMENT		
20	General law enforcement.....	\$	<u>950,000</u>
21	GROSS APPROPRIATION.....	\$	950,000
22	Appropriated from:		
23	Special revenue funds:		
24	Off-road vehicle trail improvement fund.....		950,000
25	State general fund/general purpose.....	\$	0
26	(6) GRANTS		
27	Dam management grant program.....	\$	3,000,000

1	Off-road vehicle trail improvement grants	<u>2,925,000</u>
2	GROSS APPROPRIATION	\$ 5,925,000
3	Appropriated from:	
4	Special revenue funds:	
5	Off-road vehicle trail improvement fund	2,925,000
6	State general fund/general purpose	\$ 3,000,000
7	(7) CAPITAL OUTLAY - RECREATIONAL LANDS AND	
8	INFRASTRUCTURE	
9	State parks repair and maintenance	\$ <u>1,900,000</u>
10	GROSS APPROPRIATION	\$ 1,900,000
11	Appropriated from:	
12	Federal revenues:	
13	Federal funds	1,900,000
14	State general fund/general purpose	\$ 0
15	(8) CAPITAL OUTLAY - WATERWAYS BOATING PROGRAM	
16	East Tawas state harbor, Iosco County, harbor	
17	renovation, dock replacements, dredging, fueling	
18	station, new electrical/utilities, phase II (total	
19	authorized cost is increased from \$4,320,000 to	
20	\$4,420,000; federal share is increased from	
21	\$1,550,000 to \$1,650,000; state share is \$2,770,000)	\$ <u>100,000</u>
22	GROSS APPROPRIATION	\$ 100,000
23	Appropriated from:	
24	Federal revenues:	
25	Federal funds	100,000
26	State general fund/general purpose	\$ 0

Sec. 112. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	3,800,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	3,800,000
Federal revenues:		
Total federal revenues.....		0
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose.....	\$	3,800,000

(2) INFORMATION TECHNOLOGY

Information technology services and projects	\$	<u>3,800,000</u>
GROSS APPROPRIATION.....	\$	3,800,000
Appropriated from:		
State general fund/general purpose.....	\$	3,800,000

Sec. 113. DEPARTMENT OF STATE POLICE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	11,178,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	11,178,800

1	Federal revenues:		
2	Total federal revenues.....		0
3	Special revenue funds:		
4	Total local revenues.....		0
5	Total private revenues.....		0
6	Total other state restricted revenues.....		0
7	State general fund/general purpose.....	\$	11,178,800
8	(2) FIELD SERVICES		
9	Field services.....	\$	<u>428,800</u>
10	GROSS APPROPRIATION.....	\$	428,800
11	Appropriated from:		
12	State general fund/general purpose.....	\$	428,800
13	(3) ONE-TIME APPROPRIATIONS		
14	Disaster and emergency contingency fund.....	\$	10,000,000
15	Homeland security - energy disaster.....		<u>750,000</u>
16	GROSS APPROPRIATION.....	\$	10,750,000
17	Appropriated from:		
18	State general fund/general purpose.....	\$	10,750,000
19	Sec. 114. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND		
20	BUDGET		
21	(1) APPROPRIATION SUMMARY		
22	GROSS APPROPRIATION.....	\$	(10,830,000)
23	Interdepartmental grant revenues:		
24	Total interdepartmental grants and intradepartmental		
25	transfers		0
26	ADJUSTED GROSS APPROPRIATION.....	\$	(10,830,000)

1	Federal revenues:		
2	Total federal revenues.....		0
3	Special revenue funds:		
4	Total local revenues.....		0
5	Total private revenues.....		0
6	Total other state restricted revenues.....		2,800,000
7	State general fund/general purpose.....	\$	(13,630,000)
8	(2) STATE BUILDING AUTHORITY RENT		
9	State building authority rent - state agencies.....	\$	(5,300,000)
10	State building authority rent - department of		
11	corrections		(17,250,000)
12	State building authority rent - universities.....		(3,400,000)
13	State building authority rent - community colleges...		<u>(550,000)</u>
14	GROSS APPROPRIATION.....	\$	(26,500,000)
15	Appropriated from:		
16	State general fund/general purpose.....	\$	(26,500,000)
17	(3) CIVIL SERVICE COMMISSION		
18	Training.....	\$	<u>325,000</u>
19	GROSS APPROPRIATION.....	\$	325,000
20	Appropriated from:		
21	State general fund/general purpose.....	\$	325,000
22	(4) SPECIAL PROGRAMS		
23	Legal services.....	\$	11,000,000
24	State trooper pension supplemental payment.....		145,000
25	Retirement services.....		<u>2,800,000</u>
26	GROSS APPROPRIATION.....	\$	13,945,000
27	Appropriated from:		

1	Special revenue funds:		
2	Pension trust funds.....		2,800,000
3	State general fund/general purpose.....	\$	11,145,000
4	(5) ONE-TIME BASIS ONLY APPROPRIATIONS		
5	Education commission.....	\$	400,000
6	Special projects.....		<u>1,000,000</u>
7	GROSS APPROPRIATION.....	\$	1,400,000
8	Appropriated from:		
9	State general fund/general purpose.....	\$	1,400,000
10	Sec. 115. DEPARTMENT OF TRANSPORTATION		
11	(1) APPROPRIATION SUMMARY		
12	GROSS APPROPRIATION.....	\$	0
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers		0
16	ADJUSTED GROSS APPROPRIATION.....	\$	0
17	Federal revenues:		
18	Total federal revenues.....		0
19	Special revenue funds:		
20	Total local revenues.....		0
21	Total private revenues.....		0
22	Total other state restricted revenues.....		0
23	State general fund/general purpose.....	\$	0
24	(2) TRANSPORTATION ECONOMIC DEVELOPMENT		
25	Rural county primary.....	\$	(2,000,000)
26	Special projects.....		<u>2,000,000</u>

1	GROSS APPROPRIATION.....	\$	0
2	Appropriated from:		
3	Special revenue funds:		
4	Economic development fund.....		0
5	State general fund/general purpose.....	\$	0
6	Sec. 116. DEPARTMENT OF TREASURY		
7	(1) APPROPRIATION SUMMARY		
8	GROSS APPROPRIATION.....	\$	1,300,000
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		0
12	ADJUSTED GROSS APPROPRIATION.....	\$	1,300,000
13	Federal revenues:		
14	Total federal revenues.....		0
15	Special revenue funds:		
16	Total local revenues.....		0
17	Total private revenues.....		0
18	Total other state restricted revenues.....		300,000
19	State general fund/general purpose.....	\$	1,000,000
20	(2) LOCAL GOVERNMENT PROGRAMS		
21	Supervision of the general property tax law.....	\$	<u>1,000,000</u>
22	GROSS APPROPRIATION.....	\$	1,000,000
23	Appropriated from:		
24	State general fund/general purpose.....	\$	1,000,000
25	(3) FINANCIAL AND ADMINISTRATIVE SERVICES		
26	Office of collections.....	\$	<u>300,000</u>

1	GROSS APPROPRIATION.....	\$	300,000
2	Appropriated from:		
3	Special revenue funds:		
4	Driver responsibility fees.....		300,000
5	State general fund/general purpose.....	\$	0

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2015-2016

GENERAL SECTIONS

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2016 is \$134,017,600.00 and state appropriations paid to local units of government are \$15,726,900.00 as itemized below:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Child care fund.....	\$	6,743,800
Medicaid mental health services.....		300,200
Medicaid substance use disorder services.....		866,900
Autism services.....		<u>5,016,000</u>
SUBTOTAL.....	\$	13,926,900

DEPARTMENT OF NATURAL RESOURCES

Dam management grant program.....	\$	1,500,000
Off-road vehicle trail improvement grants.....		<u>300,000</u>
SUBTOTAL.....	\$	<u>1,800,000</u>
TOTAL.....	\$	15,726,900

1 Sec. 202. The appropriations authorized under this part and
2 part 1 are subject to the management and budget act, 1984 PA 431,
3 MCL 18.1101 to 18.1594.

4 Sec. 203. There is appropriated for the fiscal year ending
5 September 30, 2016 the sum of \$5,000,000.00 from general
6 fund/general purpose revenue for deposit into the Michigan
7 infrastructure fund created under the management and budget act,
8 1984 PA 431, MCL 18.1101 to 18.1594.

9 DEPARTMENT OF HEALTH AND HUMAN SERVICES

10 Sec. 301. (1) As part of the year-end closing process, the
11 department of health and human services, with the approval of the
12 state budget director, is authorized to realign sources between
13 other federal, TANF, and capped federal financing authorizations in
14 order to maximize federal revenues. This realignment of financing
15 shall not produce a gross increase or decrease in the department of
16 health and human services' total individual line-item
17 authorizations, nor will it produce a net increase or decrease in
18 total federal revenues, or a net increase in TANF authorization.

19 (2) Not later than November 30, the department of health and
20 human services shall submit to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, and the house and senate policy offices a report on the
23 realignment of federal fund sources that took place as part of the
24 year-end closing process for the previous fiscal year.

25 Sec. 302. The unexpended funds appropriated in part 1 for
26 health plan services are considered work project appropriations,

1 and any unencumbered or unallotted funds are carried forward into
2 the succeeding fiscal year. The following is in compliance with
3 section 451a(1) of the management and budget act, 1984 PA 431, MCL
4 18.1451a:

5 (a) The purpose of the project to be carried forward is to
6 support education about immunization.

7 (b) The project will be accomplished by contract with Medicaid
8 health plans.

9 (c) The total estimated cost of the project is \$500,000.00.

10 (d) The tentative completion date is September 30, 2017.

11 Sec. 303. A community mental health services program (CMHSP)
12 shall provide at least 30 days' notice before reducing,
13 terminating, or suspending services provided by a CMHSP to CMHSP
14 clients, with the exception of services authorized by a physician
15 that no longer meet established criteria for medical necessity.

16 Sec. 304. The department of health and human services may
17 issue a request for proposal for conducting home help aide criminal
18 history background checks for individual providers and requiring
19 agency providers to conduct criminal history checks for their
20 employees and subcontractors.

21 Sec. 305. From the funds appropriated in part 1 for special
22 project - groundwater contamination, the department of health and
23 human services shall work with the department of environmental
24 quality to provide all of the following for residents affected by
25 groundwater contaminated by perfluorinated compounds in a county
26 with fewer than 8,700 residents according to the most recent
27 decennial census:

1 (a) Water filters.

2 (b) Water quality monitoring.

3 (c) A long-term alternative public water supply.

4 Sec. 306. Hospitals receiving medical services payments for
5 graduate medical education shall submit fully completed quality
6 data to a nonprofit organization with extensive experience in
7 collecting and reporting hospital quality data on a public website.
8 The reporting must utilize consensus-based nationally endorsed
9 standards that meet National Quality Forum-endorsed safe practices.
10 The organization collecting the data must be an organization that
11 uses severity-adjusted risk models and measures that will help
12 patients and payers identify hospital campuses likely to have
13 superior outcomes. The public website shall provide information to
14 allow consumers to compare safe practices by hospital campus,
15 including, but not limited to, perinatal care, hospital-acquired
16 infection, and serious reportable events. Hospitals receiving
17 medical services payments for graduate medical education shall also
18 make their fully completed quality data available on the hospital's
19 website.

20 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

21 Sec. 401. The department of insurance and financial services
22 may make available to interested entities customized listings of
23 nonconfidential information in its possession. The department may
24 establish and collect a reasonable charge to provide this service.
25 The revenue from this service is appropriated when received and
26 shall be used to offset expenses. Any balance of this revenue

1 collected and unexpended at the end of the fiscal year shall lapse
2 to the appropriate restricted fund.

3 Sec. 402. Of the amount appropriated in part 1 for the autism
4 coverage fund, \$2,225,000.00 is appropriated and may be expended
5 from the fund by the department as provided in the autism coverage
6 reimbursement act, 2012 PA 101, MCL 550.1831 to 550.1841, for
7 approved autism coverage reimbursement claims received.

8 Sec. 403. The appropriations in section 402 from the autism
9 coverage fund for payment of claims as provided in the autism
10 coverage reimbursement act, 2012 PA 101, MCL 550.1831 to 550.1841,
11 shall not be expended until Senate Bill No. 1007 of the 98th
12 Legislature is enacted into law allowing for pro rata payments of
13 approved claims received prior to April 30, 2016.

14 **LEGISLATURE**

15 Sec. 501. The appropriations in part 1 for senate and house of
16 representatives redistricting shall be used for purchasing
17 equipment, supplies, and services needed for tracking and reporting
18 census and reapportionment information for this state. These funds
19 are designated as work project appropriations in accordance with
20 section 451a of the management and budget act, 1984 PA 431, MCL
21 18.1451a, and shall not lapse at the end of the fiscal year. The
22 total cost is estimated at \$450,000.00, and the tentative
23 completion date is September 30, 2020.

24 Sec. 502. The appropriation in part 1 for the legislative IT
25 systems design project shall be used for the design, development,
26 and implementation of a legislative computer system. Funds

1 described in this section shall not be expended without written
2 approval of the senate majority leader or his or her designee, the
3 speaker of the house of representatives or his or her designee, and
4 the legislative council administrator or his or her designee. The
5 appropriations described in this section are designated as work
6 project appropriations in accordance with section 451a of the
7 management and budget act, 1984 PA 431, MCL 18.1451a, and shall not
8 lapse at the end of the fiscal year. The unexpended portion of
9 these funds shall continue to be available for expenditure until
10 the project has been completed. The total cost is estimated at
11 \$3,000,000.00, and the tentative completion date is September 30,
12 2019.

13 Sec. 503. The appropriations in part 1 for the criminal
14 justice policy commission will allow the commission to perform its
15 duties as designated in section 32a of the code of criminal
16 procedure, 1927 PA 175, MCL 769.32a. These funds are designated as
17 work project appropriations in accordance with section 451a of the
18 management and budget act, 1984 PA 431, MCL 18.1451a, and shall not
19 lapse at the end of the fiscal year. The total cost is estimated at
20 \$500,000.00, and the tentative completion date is September 30,
21 2019.

22 Sec. 504. The appropriations in part 1 to the state capitol
23 historic site, for restoration, renewal and maintenance, shall be
24 used to purchase equipment and services for building maintenance in
25 order to ensure a safe and productive work environment. These funds
26 are designated as work project appropriations in accordance with
27 section 451a of the management and budget act, 1984 PA 431, MCL

1 18.1451a, and shall not lapse at the end of the fiscal year. The
2 total cost is estimated at \$3,250,000.00, and the tentative
3 completion date is September 30, 2020.

4 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

5 Sec. 601. The unexpended funds appropriated in part 1 for
6 first responder presumed coverage claims are considered work
7 project appropriations, and any unencumbered or unallotted funds
8 are carried forward into the succeeding fiscal year. The following
9 is in compliance with section 451a(1) of the management and budget
10 act, 1984 PA 431, MCL 18.1451a:

11 (a) The purpose of the project to be carried forward is to
12 provide for the payment of approved claims from the first responder
13 presumed coverage fund pursuant to section 405 of the worker's
14 disability compensation act of 1969, 1969 PA 317, MCL 418.405.

15 (b) The project will be accomplished by state employees.

16 (c) The total estimated cost is \$3,000,000.00.

17 (d) The tentative completion date is September 30, 2020.

18 **DEPARTMENT OF STATE**

19 Sec. 701. The unexpended funds appropriated in part 1 for
20 information technology services and projects are considered work
21 project appropriations and any unencumbered or unallotted funds are
22 carried forward into the succeeding fiscal year. The following is
23 in compliance with section 451a of the management and budget act,
24 1984 PA 431, MCL 18.1451a:

25 (a) The purpose of the project is to provide for mainframe and

ExpressSOS technology upgrades necessitated by passage of Public Act 174 of 2015.

(b) The project will be accomplished by contract and state employees.

(c) The total estimated cost of the project is \$3,800,000.00.

(d) The tentative completion date is September 30, 2020.

DEPARTMENT OF STATE POLICE

Sec. 801. From the funds appropriated in part 1, the schedule of programs for field services includes the following:

General law enforcement and criminal

investigations \$428,800

DEPARTMENT OF TRANSPORTATION

Sec. 901. From the funds appropriated in part 1 for special projects, \$2,000,000.00 is appropriated for a rural county primary road project under section 11(3)(c) of 1987 PA 231, MCL 247.911, in a county with a population of more than 26,500 but less than 27,000 according to the most recent federal decennial census. Any unexpended funds appropriated are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund special projects.

(b) The project will be accomplished by contract or grant.

(c) The total estimated cost of the project is \$2,000,000.00.

1 (d) The tentative completion date is September 30, 2017.

2 **REPEALERS**

3 Sec. 1001. (1) Section 831 of article VIII of 2015 PA 84 is
4 repealed.

5 (2) Sections 1182 and 1805 of article X of 2015 PA 84 are
6 repealed.

7 ARTICLE XXI

8 SUPPLEMENTAL APPROPRIATIONS

9 PART 1

10 LINE-ITEM APPROPRIATIONS

11 FOR FISCAL YEAR 2015-2016

12 Sec. 101. There is appropriated for various state departments
13 and agencies to supplement appropriations for the fiscal year
14 ending September 30, 2016, from the following funds:

15 **APPROPRIATION SUMMARY**

16	Full-time equated classified positions.....	4.0	
17	GROSS APPROPRIATION.....	\$	114,320,000
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and intradepartmental		
20	transfers		0
21	ADJUSTED GROSS APPROPRIATION.....	\$	114,320,000
22	Federal revenues:		
23	Total federal revenues.....		25,700,000
24	Special revenue funds:		

1	Total local revenues.....	0
2	Total private revenues.....	0
3	Total other state restricted revenues.....	1,300,000
4	State general fund/general purpose.....	\$ 87,320,000

5 **Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

6 **(1) APPROPRIATION SUMMARY**

7	GROSS APPROPRIATION.....	\$ 1,300,000
8	Interdepartmental grant revenues:	
9	Total interdepartmental grants and intradepartmental	
10	transfers	0
11	ADJUSTED GROSS APPROPRIATION.....	\$ 1,300,000
12	Federal revenues:	
13	Total federal revenues.....	0
14	Special revenue funds:	
15	Total local revenues.....	0
16	Total private revenues.....	0
17	Total other state restricted revenues.....	1,300,000
18	State general fund/general purpose.....	\$ 0

19 **(2) ATTORNEY GENERAL OPERATIONS**

20	Drinking water declaration of emergency legal services	\$ <u>1,300,000</u>
21	GROSS APPROPRIATION.....	\$ 1,300,000
22	Appropriated from:	
23	Special revenue funds:	
24	Lawsuit settlement proceeds fund.....	1,300,000
25	State general fund/general purpose.....	\$ 0

Sec. 103. DEPARTMENT OF EDUCATION

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION..... \$ 25,600,000

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental
transfers 0

ADJUSTED GROSS APPROPRIATION..... \$ 25,600,000

Federal revenues:

Total federal revenues..... 19,600,000

Special revenue funds:

Total local revenues..... 0

Total private revenues..... 0

Total other state restricted revenues..... 0

State general fund/general purpose..... \$ 6,000,000

(2) CENTRAL SUPPORT

Drinking water declaration of emergency..... \$ 25,600,000

GROSS APPROPRIATION..... \$ 25,600,000

Appropriated from:

Federal revenues:

Federal revenues..... 19,600,000

State general fund/general purpose..... \$ 6,000,000

Sec. 104. DEPARTMENT OF ENVIRONMENTAL QUALITY

(1) APPROPRIATION SUMMARY

Full-time equated classified positions..... 4.0

GROSS APPROPRIATION..... \$ 33,350,000

Interdepartmental grant revenues:

1	Total interdepartmental grants and intradepartmental		
2	transfers		0
3	ADJUSTED GROSS APPROPRIATION.....	\$	33,350,000
4	Federal revenues:		
5	Total federal revenues.....		0
6	Special revenue funds:		
7	Total local revenues.....		0
8	Total private revenues.....		0
9	Total other state restricted revenues.....		0
10	State general fund/general purpose.....	\$	33,350,000
11	(2) RESOURCE MANAGEMENT DIVISION		
12	Full-time equated classified positions.....		4.0
13	Drinking water declaration of emergency--4.0 FTE		
14	positions	\$	<u>33,350,000</u>
15	GROSS APPROPRIATION.....	\$	33,350,000
16	Appropriated from:		
17	State general fund/general purpose.....	\$	33,350,000
18	Sec. 105. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
19	(1) APPROPRIATION SUMMARY		
20	GROSS APPROPRIATION.....	\$	14,790,000
21	Interdepartmental grant revenues:		
22	Total interdepartmental grants and intradepartmental		
23	transfers		0
24	ADJUSTED GROSS APPROPRIATION.....	\$	14,790,000
25	Federal revenues:		
26	Total federal revenues.....		6,100,000

1	Special revenue funds:		
2	Total local revenues.....		0
3	Total private revenues.....		0
4	Total other state restricted revenues.....		0
5	State general fund/general purpose.....	\$	8,690,000
6	(2) LOCAL HEALTH ADMINISTRATION AND GRANTS		
7	Drinking water declaration of emergency.....	\$	<u>14,790,000</u>
8	GROSS APPROPRIATION.....	\$	14,790,000
9	Appropriated from:		
10	Federal revenues:		
11	Social security act, temporary assistance for		
12	needy families		6,100,000
13	State general fund/general purpose.....	\$	8,690,000
14	Sec. 106. DEPARTMENT OF NATURAL RESOURCES		
15	(1) APPROPRIATION SUMMARY		
16	GROSS APPROPRIATION.....	\$	250,000
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		0
20	ADJUSTED GROSS APPROPRIATION.....	\$	250,000
21	Federal revenues:		
22	Total federal revenues.....		0
23	Special revenue funds:		
24	Total local revenues.....		0
25	Total private revenues.....		0
26	Total other state restricted revenues.....		0

1	State general fund/general purpose	\$	250,000
2	(2) DEPARTMENT INITIATIVES		
3	Drinking water declaration of emergency	\$	<u>250,000</u>
4	GROSS APPROPRIATION	\$	250,000
5	Appropriated from:		
6	State general fund/general purpose	\$	250,000
7	Sec. 107. DEPARTMENT OF STATE POLICE		
8	(1) APPROPRIATION SUMMARY		
9	GROSS APPROPRIATION	\$	6,000,000
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		0
13	ADJUSTED GROSS APPROPRIATION	\$	6,000,000
14	Federal revenues:		
15	Total federal revenues		0
16	Special revenue funds:		
17	Total local revenues		0
18	Total private revenues		0
19	Total other state restricted revenues		0
20	State general fund/general purpose	\$	6,000,000
21	(2) SPECIALIZED SERVICES		
22	Drinking water declaration of emergency	\$	<u>6,000,000</u>
23	GROSS APPROPRIATION	\$	6,000,000
24	Appropriated from:		
25	State general fund/general purpose	\$	6,000,000

**Sec. 108. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND
BUDGET**

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	18,900,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	18,900,000
Federal revenues:		
Total federal revenues.....		0
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose.....	\$	18,900,000
(2) ONE-TIME BASIS ONLY APPROPRIATIONS		
Drinking water declaration of emergency reserve fund .	\$	<u>18,900,000</u>
GROSS APPROPRIATION.....	\$	18,900,000
Appropriated from:		
State general fund/general purpose.....	\$	18,900,000

Sec. 109. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	14,130,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0

1	ADJUSTED GROSS APPROPRIATION.....	\$	14,130,000
2	Federal revenues:		
3	Total federal revenues.....		0
4	Special revenue funds:		
5	Total local revenues.....		0
6	Total private revenues.....		0
7	Total other state restricted revenues.....		0
8	State general fund/general purpose.....	\$	14,130,000
9	(2) ONE-TIME BASIS ONLY APPROPRIATIONS		
10	Drinking water declaration of emergency.....	\$	<u>14,130,000</u>
11	GROSS APPROPRIATION.....	\$	14,130,000
12	Appropriated from:		
13	State general fund/general purpose.....	\$	14,130,000

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 FOR FISCAL YEAR 2015-2016

17 **GENERAL SECTIONS**

18 Sec. 201. In accordance with the provisions of section 30 of

19 article IX of the state constitution of 1963, total state spending

20 from state resources in this part for the fiscal year ending

21 September 30, 2016 is \$88,620,000.00 and state appropriations paid

22 to local units of government are \$46,500,000.00. The itemized

23 statement below identifies departments from which spending to local

24 units of government will occur:

25	Department of environmental quality.....	\$	31,100,000
----	--	----	------------

1	Department of health and human services	2,650,000
2	Department of treasury	<u>12,750,000</u>
3	Total state spending to local units	\$ 46,500,000

4 Sec. 202. The appropriations authorized under this part and
5 part 1 are subject to the management and budget act, 1984 PA 431,
6 MCL 18.1101 to 18.1594.

7 **DEPARTMENT OF ATTORNEY GENERAL**

8 Sec. 301. From the lawsuit settlement proceeds fund
9 appropriated in part 1, the department of attorney general may
10 spend the funds for the costs of all associated expenses related to
11 the declaration of emergency due to drinking water contamination up
12 to \$1,300,000.00.

13 **DEPARTMENT OF EDUCATION**

14 Sec. 401. (1) From the funds appropriated in part 1 for the
15 drinking water declaration of emergency, the department of
16 education shall allocate funding to address the child care and
17 nutrition needs in the city in which a drinking water declaration
18 of emergency was issued. Funds shall be used to support the
19 following activities in the city:

20 (a) Pilot the expansion of the child development and care
21 eligibility to children ages 0 to 3 for 1/2-day child care services
22 by increasing the household income entrance threshold to 300% of
23 the federal poverty guidelines.

24 (b) Pilot the expansion of child development and care
25 eligibility to support the purposes of the Early Childhood

1 Education Partnership in an amount agreed to by the signatory
2 parties of the Vision for an Early Childhood Education Partnership.

3 (c) Provide information to child care providers on
4 identification and intervention services for children demonstrating
5 developmental delays associated with exposure to lead.

6 (d) Provide additional reimbursements for meals to ensure that
7 children receive additional servings of fresh fruits and
8 vegetables.

9 (e) Expand existing pilot programs to allow families with
10 children to purchase fresh fruits and vegetables and implement a
11 voucher program based on existing models to allow families to
12 purchase produce at local farmers' markets.

13 (f) Coordinate with local organizations to expand home
14 delivery of fresh fruits and vegetables.

15 (2) The department of education shall amend definitions and
16 eligibility requirements in the child care and development fund
17 state plan as necessary to implement this section.

18 (3) From the funds appropriated in part 1, the department of
19 education is authorized to make allocations of federal temporary
20 assistance to needy families funds for food and nutrition needs
21 provided to families meeting eligibility requirements under that
22 program. The department of education shall work with the department
23 of health and human services to utilize federal funds to the
24 maximum extent possible, including, if necessary, revision to the
25 temporary assistance to needy families state plan to expand
26 eligibility to needy families impacted by the emergency.

27 Sec. 402. (1) From the funds appropriated in part 1 for the

1 drinking water declaration of emergency, there is allocated
2 \$8,000,000.00 in federal child care and development funds for
3 emergency needs.

4 (2) The unexpended funds appropriated for the drinking water
5 declaration of emergency for emergency needs are designated as a
6 work project appropriation, and any unencumbered or unallotted
7 funds shall not lapse at the end of the fiscal year and shall be
8 available for expenditures for projects under this section until
9 the projects have been completed. The following is in compliance
10 with section 451a of the management and budget act, 1984 PA 431,
11 MCL 18.1451a:

12 (a) The purpose of the project is to provide for children
13 impacted by the drinking water declaration of emergency.

14 (b) The projects will be accomplished by utilizing state
15 employees or contracts with service providers, or both.

16 (c) The total estimated cost of the project is \$8,000,000.00.

17 (d) The tentative completion date is September 30, 2018.

18 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

19 Sec. 501. From the funds appropriated in part 1 for the
20 drinking water declaration of emergency, the department of
21 environmental quality is authorized to pay up to \$3,900,000.00 to
22 the municipal water system. The payments shall only be made once a
23 legally executable agreement has been reached between the parties.
24 These funds are intended to pay service costs from July 2016
25 through September 30, 2016.

26 Sec. 502. From the funds appropriated in part 1 for the

1 drinking water declaration of emergency, the department of
2 environmental quality shall allocate funds to address needs related
3 to the declaration of emergency for drinking water contamination.
4 These funds may support, but are not limited to, the following
5 activities:

6 (a) Water system needs.

7 (b) Water response team.

8 Sec. 503. (1) From the funds appropriated in part 1 for the
9 drinking water declaration of emergency, the department of
10 environmental quality shall grant \$25,000,000.00 to a city in which
11 a declaration of emergency due to drinking water contamination was
12 issued. The funds shall be provided for service line removal based
13 on a signed grant agreement between the state and the city.

14 (2) The city shall provide a work plan with a list of
15 addresses for the lines that are planned to be replaced prior to
16 execution of the grant agreement.

17 (3) A total of \$5,000,000.00 shall be paid to the city upon
18 execution of the grant agreement. Additional funding will be
19 provided on a reimbursement basis.

20 (4) Reimbursements to the city shall not exceed \$5,000.00 per
21 address unless prior authorization by this state has been granted.

22 (5) The \$25,000,000.00 shall not be used for reimbursement of
23 any permitting fees charged by the city.

24 (6) Any funds not spent or encumbered by that city for lead
25 service line replacement by September 30, 2017 shall be returned to
26 the general fund of this state.

27 (7) Upon the city's receipt of \$10,000,000.00 of the

1 appropriated \$25,000,000.00, the office of auditor general shall
2 conduct a preliminary audit of the city's use of the funds.

3 (8) The office of auditor general shall conduct a final audit
4 of that city's use of the funds by January 1, 2018 and identify if
5 any funds need to be returned to this state.

6 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

7 Sec. 601. From the funds appropriated in part 1 for the
8 drinking water declaration of emergency, the department of health
9 and human services shall allocate funds to address needs related to
10 the declaration of emergency for drinking water contamination.

11 These funds shall be used to support the following activities:

12 (a) Nutrition support, food banks, and community education.

13 (b) Intensive services and outreach for children, including
14 evidence-based home visiting programs.

15 (c) Assessment of potential linkages between the drinking
16 water declaration of emergency and diseases in Flint residents.

17 (d) Support for child and adolescent health centers and the
18 children's healthcare access program.

19 (e) Interpretation services.

20 (f) Childhood lead poisoning prevention program.

21 Sec. 602. (1) For the fiscal year ending September 30, 2016,
22 from the funds appropriated in part 1, \$6,100,000.00 in federal
23 temporary assistance for needy families funds shall be allocated
24 for emergency needs.

25 (2) The unexpended funds appropriated for drinking water
26 declaration of emergency are redesignated as a work project

1 appropriation, and any unencumbered or unallotted funds shall not
2 lapse at the end of the fiscal year and shall be available for
3 expenditures for projects under this section until the projects
4 have been completed. The following is in compliance with section
5 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

6 (a) The purpose of the project is to provide for children
7 impacted by the declaration of emergency for drinking water
8 contamination.

9 (b) The projects will be accomplished by utilizing state
10 employees or contracts with service providers, or both.

11 (c) The total estimated cost of the project is \$6,100,000.00.

12 (d) The tentative completion date is September 30, 2018.

13 Sec. 603. For all licensed private child welfare agencies
14 under contract with the department of health and human services to
15 provide foster care, independent living, and residential treatment
16 services in the water catchment area of a city in which a drinking
17 water declaration of emergency was issued, the department of health
18 and human services shall compensate the licensed private child
19 welfare agencies for the increased level of required care and
20 supervision mandated by the department of health and human services
21 for the children and youth in the care of the licensed private
22 child welfare agencies by providing a lump-sum payment in the
23 amount of \$321,000.00 distributed to the licensed private child
24 welfare agencies in the water catchment area of a city in which a
25 drinking water declaration of emergency was issued based on days of
26 care provided between January 11, 2016 and May 31, 2016. This
27 payment shall be paid to the licensed private child welfare

1 agencies within 30 days of the effective date of this act.

2 **DEPARTMENT OF NATURAL RESOURCES**

3 Sec. 701. From the funds appropriated in part 1 for the
4 drinking water declaration of emergency, the department of natural
5 resources shall allocate funds to address needs related to the
6 declaration of emergency for drinking water contamination. These
7 funds shall support a limited summer youth employment program.

8 **DEPARTMENT OF STATE POLICE**

9 Sec. 801. From the funds appropriated in part 1 for the
10 drinking water declaration of emergency, the department of state
11 police shall allocate funds related to the declaration of
12 emergency. These funds may support, but are not limited to,
13 purchases of water and replacement filter cartridges.

14 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

15 Sec. 901. (1) The drinking water declaration of emergency
16 reserve fund is created within the state treasury.

17 (2) From the funds appropriated in part 1 for the drinking
18 water declaration of emergency reserve fund, \$18,900,000.00 shall
19 be deposited into the drinking water declaration of emergency
20 reserve fund.

21 (3) Funds may only be spent from the drinking water
22 declaration of emergency reserve fund upon appropriation, or
23 legislative transfer pursuant to the section 393 of the management
24 and budget act, 1984 PA 431, MCL 18.1393.

1 (4) Interest and earnings from the investment of funds
2 deposited in the drinking water declaration of emergency reserve
3 fund shall be deposited in the general fund.

4 (5) Funds in the drinking water declaration of emergency
5 reserve fund at the close of a fiscal year shall remain in the
6 drinking water declaration of emergency reserve fund and shall not
7 lapse to the general fund.

8 Sec. 902. (1) From the funds appropriated in part 1 for the
9 drinking water declaration of emergency reserve fund, the
10 department of technology, management, and budget may contract with
11 an integrity oversight monitor to ensure legal compliance, detect
12 misconduct, and promote best practices in the expenditure of the
13 funds appropriated under part 1 as determined by the department of
14 technology, management, and budget. The integrity oversight monitor
15 shall supplement this state's existing compliance control
16 mechanisms to prevent the inefficient expenditure of state funds.

17 (2) The integrity oversight monitor shall be selected by the
18 department of technology, management, and budget from a list of 1
19 or more integrity oversight monitors created and maintained by the
20 department of technology, management, and budget.

21 (3) A person may not interfere with, prevent, or prohibit the
22 integrity oversight monitor from carrying out its duties as
23 established in this section and set by the department of
24 technology, management, and budget.

25 (4) All departments, state agencies, committees,
26 commissioners, or officers of this state and any political
27 subdivision of this state, so far as is compatible with their

1 duties, shall give the integrity oversight monitor any necessary
2 assistance required by the integrity oversight monitor in the
3 performance of the duties of the integrity oversight monitor.

4 (5) The integrity oversight monitor shall communicate with and
5 coordinate its activities with the auditor general and office of
6 internal audit services to ensure against any duplication of
7 efforts.

8 (6) Not later than September 30, the integrity oversight
9 monitor shall provide a detailed report to the governor, the
10 department of technology, management, and budget, the secretary of
11 the senate, the clerk of the house of representatives, and the
12 chairpersons of the senate and house of representatives committees
13 on appropriations. The report shall contain all of the following:

14 (a) Detail of the integrity oversight monitor's services for
15 the current fiscal year.

16 (b) Details of findings of malfeasance or inefficiency.

17 (c) Recommendations for corrective actions by any governmental
18 entities.

19 (7) Not later than March 30 of each year that the contract is
20 in effect, and not later than September 30 of each year that the
21 contract is in effect, the integrity oversight monitor shall
22 provide a detailed report to the governor, the department of
23 technology, management, and budget, the secretary of the senate,
24 the clerk of the house of representatives, and the chairpersons of
25 the senate and house of representatives committees on
26 appropriations. The report shall contain all of the following:

27 (a) Detail of the integrity oversight monitor's services

1 during the 6-month period.

2 (b) Detail of the integrity oversight monitor's services over
3 the duration of the contract.

4 (c) Details of findings of malfeasance or inefficiency.

5 (d) Recommendations for corrective actions by any governmental
6 entities.

7 (8) As used in this section, "integrity oversight monitor"
8 means a private entity that contracts to provide specialized
9 services to ensure legal compliance, detect misconduct, and promote
10 best practices in the administration of recovery and rebuilding
11 projects, which services may include, but shall not be limited to,
12 legal, investigative, accounting, forensic accounting, engineering,
13 other professional specialties, risk assessment, developing
14 compliance system constructs, loss prevention, monitoring, contract
15 managers, and independent private inspectors general.

16 **DEPARTMENT OF TREASURY**

17 Sec. 1001. (1) From the funds appropriated in part 1 for the
18 drinking water declaration of emergency, up to \$12,750,000.00 shall
19 be allocated to reimburse the water enterprise fund of the city in
20 which a drinking water declaration of emergency was issued in an
21 amount equal to credits posted to its customers' accounts in
22 accordance with section 1002.

23 (2) The department of treasury shall report quarterly to the
24 senate and house appropriations committees, the senate and house
25 fiscal agencies, and the state budget director on the distribution
26 of the funds allocated pursuant to this part and part 1.

1 Sec. 1002. (1) There shall be no administrative charges, from
2 any entity, from the funds appropriated in part 1 and described in
3 section 1001.

4 (2) There shall be no expenditures from the funds appropriated
5 in part 1 and described in section 1001 without specific
6 authorization by the state treasurer.

7 (3) All unexpended funds from the appropriation in part 1 and
8 described in section 1001, as of December 31, 2016, shall lapse to
9 the general fund.

10 (4) The credit to a water customer's account shall be equal to
11 the following:

12 (a) For a residential customer, an amount determined by the
13 state treasurer not to exceed 65% of the amount billed for water
14 from the beginning of the billing period containing April 30, 2014
15 to no later than December 31, 2016.

16 (b) For all other customers, an amount determined by the state
17 treasurer not to exceed 20% of the amount billed for water from the
18 beginning of the billing period containing April 30, 2014 to no
19 later than December 31, 2016.

20 (5) Credits for sewer services are not to be reimbursed under
21 this section or section 1001.

22 (6) The amount of the credits calculated under subsection (4)
23 shall reflect rates consistent with the rates paid at the time of
24 billing.

25 (7) Reimbursement to the water enterprise fund of the city in
26 which a drinking water declaration of emergency was issued in an
27 amount equal to credits posted after September 1, 2016 to its

1 customer accounts in accordance with section 1001 can only be made
2 if the overall collection rate for combined water and sewer
3 billings exceeds 70%. The state treasurer may modify or waive this
4 provision at the request of the city in which a drinking water
5 declaration of emergency was issued. The state treasurer shall
6 notify the house and senate appropriation committees, the house and
7 senate fiscal agencies, and the state budget director within 15
8 days of any modification or waiver under this subsection.

9 (8) The state treasurer shall submit monthly performance
10 reports to the house and senate appropriation committees, the house
11 and senate fiscal agencies, and the state budget director detailing
12 the overall collection rate for combined water and sewer billings
13 and the collection rates for each distinct customer class of a city
14 in which a drinking water declaration of emergency was issued.

15 (9) The state treasurer, or his or her designee, and the
16 auditor general may audit transactions provided for under this
17 section and section 1001 at their discretion.

18 Sec. 1003. From the funds appropriated in part 1 for the
19 drinking water declaration of emergency, the department of treasury
20 shall allocate funds for purposes related to the drinking water
21 declaration of emergency. These funds may support, but are not
22 limited to, Mission Flint costs.